

TENNESSEE

Horton Fuson, Cumberland Gap.
Edna R. La Fan, Iron City.

UTAH

Etta Moffitt, Kenilworth.
Erastus R. Curtis, Orangeville.

WEST VIRGINIA

Walter A. Sherwood, Flemington.
Otto E. Kessler, Nitro.

WYOMING

Herbert E. Wise, Basin.

SENATE

THURSDAY, November 7, 1929

(Legislative day of Wednesday, October 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

THE JOURNAL

Mr. JONES. Mr. President, I ask unanimous consent that the Journal for the calendar days from October 30 to November 6, inclusive, may be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Kendrick	Simmons
Ashurst	Frazier	Keyes	Smoot
Barkley	George	La Follette	Steck
Bingham	Gillett	McKellar	Steiner
Black	Glass	McNary	Stephens
Blease	Goff	Metcalf	Swanson
Borah	Goldsborough	Moses	Thomas, Idaho
Bratton	Greene	Norbeck	Thomas, Okla.
Brock	Hale	Norris	Townsend
Brookhart	Harris	Nye	Trammell
Broussard	Harrison	Oddie	Tydings
Capper	Hastings	Overman	Vandenbergh
Cannally	Hatfield	Patterson	Wagner
Copeland	Hawes	Phipps	Walcott
Couzens	Hayden	Pine	Walsh, Mass.
Cutting	Hebert	Pittman	Walsh, Mont.
Dale	Heflin	Ransdell	Waterman
Deneen	Howell	Reed	Wheeler
Dill	Johnson	Sackett	
Edge	Jones	Sheppard	
Fess	Kean	Shortridge	

Mr. WALSH of Montana. The Senator from Arkansas [Mr. CARAWAY] and the Senator from Wisconsin [Mr. BLAINE] are absent in attendance upon the subcommittee of the Judiciary Committee engaged in an investigation of lobbying activities.

Mr. SHEPPARD. I wish to announce that the junior Senator from Utah [Mr. KING] is detained from the Senate by reason of illness.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Mr. SHORTRIDGE presented petitions of sundry citizens of the State of California, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. GILLETT presented a petition of sundry citizens of the State of Massachusetts, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. DILL presented petitions numerous signed by sundry citizens of the State of Washington, praying for the passage of legislation requiring the registration of aliens, which were referred to the Committee on Immigration.

Mr. HOWELL presented a resolution adopted by the executive board of the Nebraska Farm Bureau Federation, opposing the imposition of any tariff duties upon manufactured lumber products or logs, which was ordered to lie on the table.

He also presented the following memorial of the Nebraska House of Representatives, which was ordered to lie on the table:

Resolution of Nebraska Legislature

Resolution relating to the proposed tariff on lumber, shingles, and logs. (Introduced by Robert Newton, C. O. Johnson, E. M. Neubauer, Guy A. Brown, Walter M. Burr, J. Pedrett, W. T. Parkinson)

Whereas the Congress of the United States is being asked to place a tariff upon lumber, shingles, and logs; and

Whereas we are now enjoying duty-free lumber; and

Whereas the farmers, rural home owners, and industrial enterprises of the State of Nebraska are large consumers of forest products; and

Whereas a duty upon forest products would tend to nullify our efforts toward a conservation and reforestation program; and

Whereas any increase in the tariff on products consumed by the farmers is not in accord with any proposed program for agricultural equality: Now, therefore, be it

Resolved by the House of Representatives of the State of Nebraska, That we memorialize the Congress of the United States to refrain from enacting any revenue provision placing a tariff upon imports of lumber, shingles, and logs; and, therefore, be it finally

Resolved, That certified copies of this resolution be sent by the secretary of state to the Speaker of the House of Representatives and the President of the Senate, to the chairman and members of the Ways and Means Committee of the House, and to the chairman and members of the Finance Committee of the Senate, and to each of the Nebraska delegation in Congress.

The foregoing resolution was passed by the House of Representatives, forty-fifth session, Nebraska Legislature, the date above written.

(Signed) FRANK P. CORRICK,

Chief Clerk of the House.

LINCOLN, NEBR., March 27, 1929.

Mr. LA FOLLETTE. Mr. President, I present memorials of the Council of Agriculture, the Farm Bureau Federation, the State Grange, and the State Horticultural Society, all of the State of Wisconsin, remonstrating against the proposed tariff on lumber and lumber products from Canada, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the memorials were ordered to lie on the table and to be printed in the RECORD, as follows:

WISCONSIN COUNCIL OF AGRICULTURE,
Madison, Wis., March 19, 1929.

The Wisconsin Council of Agriculture wishes to voice its protest against the proposed tariff on lumber and lumber products from Canada.

Our position has been determined after careful study of both sides of the question and we find that the tariff is unwarranted.

Therefore we earnestly request that our views be given consideration by the Congress of the United States.

GEORGE NELSON,

President Wisconsin Council of Agriculture.

HERMAN IHDE,

Secretary Wisconsin Council of Agriculture.

The Wisconsin Council of Agriculture is composed of the following organizations, together with their representatives:

Herman Ihde, master Wisconsin State Grange; George Nelson, president American Society of Equity; Hugh Harper, Wisconsin Farm Bureau Federation; C. G. Huppert, secretary-treasurer Wisconsin Farm Bureau Federation; W. S. Witte, president Madison Milk Producers'; J. C. Johnson, secretary Wisconsin Tobacco Pool; W. W. Woodward, president Wisconsin Cooperative Creameries; R. J. Schafer, Wisconsin State Grange; William Hutter, National Cheese Producers' Federation; Frank Swoboda, National Cheese Producers' Federation; Charles Dineen, secretary Milwaukee Milk Producers' Association; J. J. Lamb, Equity Livestock Sales Association; Paul Hemmey, secretary Educational Cooperative Farmers' Union; Herman Ullsperger, general manager Wisconsin Fruit Growers' Association.

Resolution

Whereas the supply of lumber grown in the United States is steadily decreasing and the demand by the farmers for lumber, shingles, poles, and posts represents an increasing larger per cent of total consumption for these products; and

Whereas any curtailment of supply or raise of prices will result in increasing costs to the agricultural industry; and

Whereas the importation of Canadian lumber operates to save our fast diminishing supply, and for that reason is in accordance with the sound theory of conservation of forests; and

Whereas the tariff on lumber from Canada would increase the price of our lumber products in this country for the benefit of a small lumber group in the northwestern part of the United States: Therefore be it

Resolved, That the Wisconsin Farm Bureau Federation records here in its opposition to any tariff on lumber and shingles from Canada; and be it further

Resolved, That copies of this resolution be sent to members of the Ways and Means Committee and to Members of Congress from Wisconsin, and to members of the Finance Committee of the United States

Senate and to the United States Senators from Wisconsin; and be it further

Resolved, That our legislative committee use their efforts, and to pass a resolution in our State legislature memorializing Congress in opposition to tariff on lumber.

WISCONSIN FARM BUREAU FEDERATION,
F. E. COLDREN, *President*,
C. G. HUPPERT, *Secretary*.

WISCONSIN STATE GRANGE,
Neeah, Wis.

The Congress of the United States is being asked to place a duty on Canadian lumber, shingles, and logs by a few of the west coast lumbermen.

There is no statement set forth by the proponents of the tariff to warrant protection, by a duty, from Canadian lumber.

We of the Wisconsin State Grange, therefore, feel it incumbent upon us to protest vigorously against the imposition at this time.

HERMAN IHDE, *Master*,
S. U. TEEPLE,
R. J. SCHAEFER,
FRED SWENSON,
EMMA M. WILDE, *Secretary*,
Executive Committee.

MADISON, Wis., May 7, 1929.

Resolution

Whereas the supply of lumber grown in the United States is steadily decreasing and the demand by the farmers for lumber, shingles, logs, box shooks, and crating represents an increasing larger per cent of total consumption for these products; and

Whereas any curtailment of supply or raise of prices will result in increasing costs to the agricultural industry; and

Whereas the importation of Canadian lumber operates to save our fast-diminishing supply, and for that reason is in accordance with the sound theory of conservation of forests; and

Whereas the tariff on lumber from Canada would increase the price of our lumber products in this country for the benefit of a small lumber group in the northwestern part of the United States: Therefore be it

Resolved, That the Wisconsin State Horticultural Society records here its opposition to any tariff on lumber and shingles from Canada; and be it further

Resolved, That copies of this resolution be sent to members of the Ways and Means Committee and to Members of Congress from Wisconsin, and to members of the Finance Committee of the United States Senate and to the United States Senators from Wisconsin.

WISCONSIN STATE HORTICULTURAL SOCIETY,
C. J. TELFER, *President*,
M. B. GOFF, *Vice President*,
H. J. RAHMLOW, *Secretary*.

Mr. LA FOLLETTE also presented a petition of sundry citizens of Milwaukee, Wis., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

He also presented petitions of sundry citizens of Pierce County, Wis., praying for the passage of the so-called Capper-Robson bill, providing for the establishment of a Federal department of education, which were referred to the Committee on Education and Labor.

REPORT OF NAVAL NOMINATIONS

Mr. HALE, as in open executive session, from the Committee on Naval Affairs, reported the nominations of sundry officers of the naval service, which were ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 2022) to exempt homesteads from Federal income tax in States exempting same from State taxation; and

A bill (S. 2023) to amend subsection (b), section 60, Federal bankruptcy act; to the Committee on the Judiciary.

By Mr. PINE:

A bill (S. 2024) granting a pension to Katherine Newey (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 2025) granting a pension to Martha A. King;

A bill (S. 2026) granting a pension to Charles H. Randall;

A bill (S. 2027) granting an increase of pension to Sarah M. Van Slyke; and

A bill (S. 2028) granting an increase of pension to Frank H. Wilson, alias Henry Wencel; to the Committee on Pensions.

A bill (S. 2029) granting war-risk insurance to the estate of Herbert Toll; to the Committee on Finance.

By Mr. SHORTRIDGE:

A bill (S. 2030) granting a pension to Henry P. Ruther; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 2031) making an appropriation for the establishment of a Coast Guard station at Nellys Cove, Port Orford, Oreg.; to the Committee on Appropriations.

By Mr. HOWELL:

A bill (S. 2032) for the relief of Justin W. Lane; to the Committee on Military Affairs.

A bill (S. 2033) in respect of rates of postage on semiweekly newspapers; to the Committee on Post Offices and Post Roads.

A bill (S. 2034) for the relief of Weymouth Kirkland and Robert N. Golding; and

A bill (S. 2035) for the relief of the Public Service Coordinated Transport of Newark, N. J. (with accompanying papers); to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 2036) granting an increase of pension to Estelle Kuhn (with accompanying papers); to the Committee on Pensions.

By Mr. HATFIELD:

A bill (S. 2037) granting an increase of pension to James W. Ashby;

A bill (S. 2038) granting an increase of pension to Mahala Metcalf (with accompanying papers); and

A bill (S. 2039) granting an increase of pension to Emily J. Watkins (with accompanying papers); to the Committee on Pensions.

AMENDMENT TO THE TARIFF BILL

Mr. SHORTRIDGE submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table and to be printed.

EMPLOYMENT OF TELEPHONE OPERATOR

Mr. JONES submitted the following resolution (S. Res. 150), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms hereby is authorized and directed to employ a telephone operator to be paid at the rate of \$1,560 per annum out of the contingent fund of the Senate until the end of the present Congress.

FEDERAL FARM LOAN BOARD

Mr. BLEASE. Mr. President, I ask permission to have printed in the RECORD a decision of the Supreme Court of the United States rendered by Mr. Justice Holmes on the 4th instant in reference to the Federal Farm Loan Board and its power to levy assessments.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

SUPREME COURT OF THE UNITED STATES

No. 39—October Term, 1929

J. R. WHEELER, PETITIONER, v. HOWARD GREENE, RECEIVER OF THE BANKERS JOINT STOCK LAND BANK OF MILWAUKEE, WIS. ON WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SEVENTH CIRCUIT

(November 4, 1929)

Mr. Justice Holmes delivered the opinion of the court.

The plaintiff is the receiver of the Bankers Joint Stock Land Bank of Milwaukee, appointed by the Federal Farm Loan Board. The defendant is a holder of stock of that bank. This suit is brought to collect an assessment equal in amount to the par value of the defendants' stock, which was levied by the Federal Farm Loan Board and which the plaintiff was ordered to collect. The defendant demurred to the declaration that alleged these facts. The district court sustained the demurrer and ordered judgment for the defendant. The plaintiff appealed and the judgment was reversed by the circuit court of appeals (29 Fed. (2d) 468). A writ of certiorari was granted by this court to settle the question whether the Federal Farm Loan Board had power to levy an assessment, or the receiver to maintain suit, for the enforcing of the stockholder's liability created by the Federal farm loan act, July 17, 1916 (ch. 245, sec. 16; 39 Stat. 374; U. S. C., title 12, sec. 812).

The section (sec. 29, Code, secs. 961, 963) of the Federal farm loan act that deals with insolvency of farm-loan associations and joint-stock land banks provides for the appointment of a receiver by the Farm Loan Board and states his duties and powers. It closely follows the words of the earlier national bank act (R. S., sec. 5234; Code, title 12, sec. 192), stating the duties of the receiver of a bank that has refused to pay its circulating notes, and giving him power to take possession of books and assets and to collect debts, etc. But whereas the bank act goes on "and may, if necessary to pay the debts of such association, enforce the

individual liability of the stockholders," the farm loan act stops short and has no such words. When so important a grant of power contained in the prototype is left out from the copy it is almost impossible to attribute the omission to anything but design, or to believe that it left to very attenuated implications what the model before it so clearly expressed.

There is a plain reason for the difference. The national banks issue notes that constitute an important part of the currency of the country and that the United States has an interest in seeing paid. It is upon the bank's refusal to pay these notes that the Comptroller of the Currency is to appoint a receiver, and the authority to enforce the stockholder's liability adds a security to the national circulation that is of national scope. But the joint-stock land banks issue no such notes. They are created to make loans on farm mortgages to members of an association in a territorially limited district, and are relatively local affairs. It is contemplated that the bonds that they issue shall be secured by mortgages. There is not the same need that the stockholder's liability should be summarily disposed of behind his back in Washington (Rankin v. Barton, 199 U. S. 228, 232; Casey v. Gatti, 94 U. S. 673, 681) rather than by the usual proceeding of a bill in equity which is brought in the neighborhood, in which the stockholder can be heard and by which the assessment instead of 100 per cent can be adjusted to the specific case (Terry v. Tubman, 92 U. S. 156). The stockholders are to be held only "equally and ratably." And, to say the least, the bill in equity is the most likely way of reaching that result.

The establishment in Washington of a bureau "charged with the execution of this act * * * under the general supervision of a Federal Farm Loan Board" (ch. 245, sec. 3; Code, sec. 651), and the putting of the administration of the act under the direction and control of that board by section 1, seem to us inadequate to supply the omission of this power from the express statement of what the board and receiver may do when the bank is insolvent. The receiver had power to collect the assets of the bank, but the liability of stockholders is no part of those assets. It is a liability to creditors which the creditors may be left to enforce.

Decree reversed.

HEARINGS ON PHILIPPINE INDEPENDENCE

Mr. BINGHAM. Mr. President, some weeks ago, when we were discussing the amendment in favor of Philippine independence, I gave notice that the subject matter would be heard before the Committee on Territories and Insular Affairs in December.

In order to oblige our friends in the Philippine Islands, and in accordance with the letter from the senior Philippine Commissioner, which I ask to have printed in the Record, I will now state that the hearings will not be held until January.

The VICE PRESIDENT. Without objection, the letter will be printed in the Record.

The letter is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., November 7, 1929.

HON. HIRAM BINGHAM,
Chairman Territories and Insular Affairs Committee,
United States Senate, Washington, D. C.

MY DEAR SENATOR: This is to confirm our conversation of this morning in which I have the honor to respectfully request that the hearings on Philippine independence to be held by the Committee on Territories and Insular Affairs, of which you are its chairman, be postponed to the first week of January, 1930, in order to give the delegation to be sent to the United States by the Philippine Legislature an opportunity to be heard on the question. They are due to arrive in Washington on or about Christmas.

Thanking you for the courtesies you have always extended to the representatives of the Filipino people, I am,

Yours very respectfully,

PEDRO GUYARA.

EXECUTIVE MESSAGES

Messages in writing were communicated to the Senate from the President of the United States by Mr. Hess, one of his secretaries.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes, the pending question being on the amendment of Mr. ODDIE to the amendment of the committee.

The amendment of the committee was, on page 56, after line 21, to strike out the first subdivision of paragraph 302 in the following words:

PAR. 302. (a) Manganese ore or concentrates containing in excess of 30 per cent of metallic manganese, 1 cent per pound on the metallic manganese contained therein.

Mr. ODDIE's amendment to the amendment is to insert in lieu of the language proposed to be stricken out by the committee:

PAR. 302. (a) Manganese ore or concentrates of all kinds, containing less than 10 per cent of metallic manganese, shall be admitted free of duty; containing 10 per cent or more of metallic manganese and less than 20 per cent, one-half of 1 cent per pound on the metallic manganese contained therein; containing 20 per cent or more of metallic manganese and less than 25 per cent, 1 cent per pound on the metallic manganese contained therein; containing 25 per cent of metallic manganese, or more, 1½ cents per pound on the metallic manganese contained therein.

Mr. ASHURST. Mr. President, inasmuch as during the course of my remarks I shall refer to certain maps now on the wall in rear of the Chamber, I ask permission of the Senate, and particularly of the Vice President, that I may stand at a point in front of this desk, thereby temporarily turning my back upon the Presiding Officer.

The VICE PRESIDENT. Without objection, permission is granted.

Mr. ASHURST. Mr. President, even if I possessed the capacity so to do, it would not be necessary so to enter into a general homily as to the philosophy, history, and the operation of the tariff in the United States. In that respect the general field has been covered ably in the debate by a number of Senators.

Opulent as history is in irony, I am unable to call to mind at the moment any irony more distinct than the efforts of my honorable friend the Senator from Pennsylvania [Mr. REED] to promote free trade on manganese.

With due deference to the talent and the genius of Alexander Hamilton, I assert that the State of Pennsylvania, and not Hamilton, was the father of the protective-tariff system in the United States. The subject of revenue was a vexatious one during the colonial times. Until 1789 each State controlled the imposition of its various customs duties, and in colonial times each State that had a seaport applied its own tariff schedules and no two tariff schedules were alike.

Mr. BARKLEY. Mr. President, a parliamentary inquiry. The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. By what authority have Kresge and Woolworth moved into the Senate Chamber?

Mr. ASHURST. Mr. President, my amiable friend the statesman from Kentucky [Mr. BARKLEY] just secured recognition to propound a parliamentary inquiry, and ask by what authority did Kresge and Woolworth move into the Senate Chamber. The cold CONGRESSIONAL RECORD, which does not, of course, disclose a picture of the exhibits piled upon the tables in the rear of the Chamber, might lead some reader to believe that the Senator was referring to me. [Laughter.]

Mr. BARKLEY. I want to disclaim that implication. I had reference to the exhibit over in the corner of the Chamber.

Mr. ASHURST. Woolworth and Kresge are 5-and-10-cent people, and I do not desire any reader to gain any such impression as might be conveyed by the suggestion of the Senator from Kentucky. [Laughter.]

The tariff bill of 1789 was the first bill discussed in our first House of Representatives. James Madison, of Virginia, who introduced the subject of the tariff, was then in the early maturity of a life of much usefulness, and his ability as a counsellor and his skill in drafting laws and constitutions were everywhere recognized. He said in his speech of April 8, 1789:

A national revenue must be obtained, but the system must be such that while it secures the object of revenue it shall not be oppressive to our constituents.

And he urged the collection of the national revenue without oppression upon the people.

The next day the discussion of the tariff bill became general, and Mr. Thomas Fitzsimons, of Pennsylvania, said that he extended his views further than the other speakers. Among other things, Mr. Fitzsimons said that the duties should be calculated "to encourage the protection of infant industries." Here, Mr. President, we encounter, at the very inception of our national history, Pennsylvania's demand for a tariff. From that good day down through the annals of our national history, like a golden thread, has run the demand of the State of Pennsylvania for a protective tariff, and this thread was never severed until my able and honorable friend the Senator from Pennsylvania [Mr. REED] demanded free trade on manganese. In the State of Pennsylvania vast quantities of steel are manufactured.

Mr. SIMMONS. Mr. President, may I ask the able Senator from Arizona a question?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from North Carolina?

Mr. ASHURST. I yield.

Mr. SIMMONS. I desire to ask if Pennsylvania has not always demanded free raw material?

Mr. ASHURST. As I have said, vast quantities of steel are manufactured in Pennsylvania. I need not at this time employ any words in telling the Senate that manganese is used generally in the production of steel; indeed, I doubt not that a score, possibly two score, of Senators know far more about the technique, as to how manganese is used in the manufacture of steel, than do I; but it is within the common knowledge of every Senator, and it is within the common knowledge of practically every ordinarily well-informed citizen, that manganese is used to harden steel products and to "sweeten" pig iron.

The representatives of the steel interests appeared last winter—and I make no complaint of that; they had a right to do so—before the Ways and Means Committee of the House of Representatives and asked the committee to free list manganese, which the committee refused to do. Thus the tariff bill which we are now considering, House bill 2667, as it passed the House carried a duty on manganese ore or concentrates containing in excess of 30 per cent of metallic manganese of 1 cent per pound on the metallic manganese contained therein.

The Senate committee at first accepted the House rate on the metallic content of manganese ore, and the Senate committee even broadened it out to apply to ore of low content, thus in effect increasing the duty over and above the 1 cent per pound level.

Then subsequently, to wit, on the 13th of August, there came the announcement from Russia that the United States Steel Corporation had signed a 5-year contract with the Russian Soviet agreeing to purchase from 80,000 to 150,000 tons of Russian manganese annually. Reconsidering this item, the Senate committee on the 14th of August, after having taken the action I have just described, executed a volte-face, reversed itself, and voted 6 yeas to 5 nays to place manganese ore on the free list, with a saving, if such action shall be ratified by the Congress and approved by the President, of between \$2,000,000 and \$4,000,000 annually in tariff duties to the United States Steel Corporation on its Russian contract alone.

Mr. WHEELER. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Montana?

Mr. ASHURST. I yield to the Senator.

Mr. WHEELER. I should like to inquire if the Senator from Arizona knows why the members of the committee changed their opinion about it? I have been told that it was at the instance of the White House and that the President asked them to do it. I was curious to know why it was that the President had changed his mind with reference to the question, particularly in view of his speech in Colorado, in which he said he was in favor of a tariff on manganese.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield to the Senator from Utah.

Mr. SMOOT. I think the Senator from Montana is mistaken.

Mr. WHEELER. I will say to the Senator I do not think I am mistaken.

Mr. SMOOT. I know that the President never said a word to me about it, and I do not believe he said a word on the subject to a single member of the majority of the Finance Committee.

Mr. WHEELER. May I say to the Senator that he is entirely mistaken about that, unless I am misinformed by some members of the Finance Committee. I will inquire if the Senator from New Hampshire [Mr. MOSES] is in the Chamber? I should like to ask the Senator from New Hampshire if he knows, or if the Senator from Connecticut [Mr. BINGHAM] knows why the change was made and if it was not made at the request of the White House?

Mr. REED. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Pennsylvania?

Mr. ASHURST. I yield, but I do not wish to lose the floor.

The VICE PRESIDENT. Under the rules the Senator has only the right to yield for a question.

Mr. ASHURST. Then, I can yield for a question only.

Mr. REED. I will have to put an interrogation point, then, after what I say.

Mr. ASHURST. The Senator is entitled to take some liberty with me.

Mr. REED. When I heard the statement about this so-called soviet contract with the Steel Corporation, I made inquiry of

the Steel Corporation as to whether there was any truth in the report. I was told that it was completely incorrect; that they had made no such contract at all, and that the report was erroneous.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Montana?

Mr. ASHURST. I yield to the Senator from Montana.

Mr. WALSH of Montana. My information is that it is the Bethlehem Steel Co. that has the contract, and not the United States Steel Corporation. I inquire of the Senator from Pennsylvania if he can give us any information as to that?

Mr. REED. I beg the Senator's pardon.

Mr. WALSH of Montana. I say my information about the matter is that it is the Bethlehem Steel Co. that has the contract with the Soviet Government.

Mr. REED. I do not know. The newspapers said it was the United States Steel Corporation, so I made my inquiry of them. I never until this moment heard it suggested that it was the Bethlehem Co. That may be so for all I know.

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from New Mexico?

Mr. ASHURST. I yield to the Senator from New Mexico.

Mr. BRATTON. In view of the inquiry propounded by the junior Senator from Montana [Mr. WHEELER], I call the attention of the Senator from Arizona to the press dispatch appearing in the New York World of August 16 last, in which this is said:

WASHINGTON, August 15.—Responsibility for the action of the Senate Finance Committee in placing manganese ore on the free list, thereby reversing the committee's previous action and granting a saving of \$8,000,000 a year to the steel manufacturers, was laid on the White House doorstep to-day by Senator HIRAM BINGHAM (Republican, Connecticut), a member of the committee.

In a secret session of Republican Finance Committee members a few weeks ago BINGHAM voted for a duty of 1 cent a pound on ore containing 10 per cent or more of metallic manganese. Yesterday he was one of the two members of the committee who reversed their previous votes and put manganese on the free list. When asked why he changed he said the White House advised it.

I do not vouch for that statement, but I call the attention of the Senate to the fact that it appeared in one of the most reputable newspapers in the United States, and this morning is the first time I have heard it disputed.

Mr. BINGHAM. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Connecticut?

Mr. ASHURST. I yield to the Senator from Connecticut.

Mr. BINGHAM. My friend from New Mexico [Mr. BRATTON] was not present on the floor of the Senate some weeks ago when the senior Senator from Montana [Mr. WALSH] referred to this report. I was present at the time, and I said, without mentioning the name of the newspaper at that time, that a newspaper had stated that I had given out a statement and had said that I had voted first for the duty on manganese; that I had later voted against it, and that I had changed my vote at the request of the White House. I said at that time that, except for the fact that I gave out no statement, that I had not voted for a duty on manganese, that I had not changed my vote, and that whatever had been done had not been done at the request of the White House, the story was correct.

Mr. WHEELER. Mr. President—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Montana?

Mr. ASHURST. I yield for a question.

Mr. WHEELER. Will the Senator permit me to ask the Senator from Connecticut a question?

Mr. ASHURST. If I may yield for such purpose.

Mr. WHEELER. I should like to ask the Senator from Connecticut if it was not his understanding that this change was made at the request of the White House?

Mr. BINGHAM. The Senator is asking something which is in the nature of hearsay or of understanding; and I do not think the Senator's question is one that can well be answered at this time. I have stated very frankly that the article in the newspaper was entirely incorrect.

Mr. WHEELER. Mr. President, if the Senator will pardon me—

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Montana?

Mr. ASHURST. I yield further.

Mr. WHEELER. I should like to direct my question to the Senator from New Hampshire [Mr. MOSES]. I see that he is in the Chamber at the present time.

The VICE PRESIDENT. Will the Senator from New Hampshire give his attention?

Mr. WHEELER. I will ask the Senator from New Hampshire if it was not his understanding that this rate on manganese was changed at the request of the White House?

Mr. MOSES. Mr. President, I can not say that I had any particular understanding about it. I am not a member of the Committee on Finance, and, as I recall, these rates were being made at a time when I was absent from the city. I remember that the city of Washington was full of rumors to that effect at the time.

Mr. WHEELER. I will state that a member of the Finance Committee, who does not happen to be present, stated to me that the rate was changed because of that fact.

Mr. ASHURST. Mr. President, I am perfectly willing to accept, and do accept, the statement of a Senator; if he changed his vote at the behest of the White House, he probably should not be too severely condemned; and I shall not discuss the reasons why any member of the committee changed his vote. It was a singular circumstance, however, that the Finance Committee should first at one sitting broaden out and thus practically in effect increase the duty on manganese, and then, as soon as the Russian contract with the United States Steel Corporation was made, the committee should execute this volte face and thus change its position.

But even if those members of the committee who did change their vote did say that they took such action at the request of the White House, such statement would be of little probative value, because Mr. Hoover during his candidacy for the Presidency of the United States, speaking for a duty on manganese, said in his speech delivered in Pueblo, Colo., on November 3, 1928, which speech was widely quoted—I have a photostat copy of the page of the newspaper carrying the speech and have had it verified, as follows:

I know of no State in the Union where continuation of the Republican Party in power is of more vital importance than to the people of Colorado. There is hardly a product of your whole State that is not dependent upon tariff for its very existence. Of your minerals, zinc, tungsten, and manganese could scarcely be produced except for the protective tariff.

Is that the speech to which the able Senator from Montana refers?

Mr. WHEELER. Yes, Mr. President; that is the matter to which I had reference.

Mr. ASHURST. The United States Steel Corporation was formed under the direction of Mr. Elbert H. Gary, now deceased; and it was formed at a time when the steel industry was about to enter upon an era of its greatest expansion. That corporation became the most colossal single producer in that industry. Indeed, it is the giant of that industry and has 136 distribution agencies in 44 countries. Mr. President, it has been said that the United States Steel Corporation is indifferent as to a tariff; but my opinion is that if it is not demanding a protective tariff it occupies the position of Addison's valetudinarian, who whilst loudly complaining that he was starving to death grew so fat that he was shamed into silence.

Mr. President, I am now going to advert to another phase of this question, but before I do so I desire to take the judgment of the Senate as to the propriety of reading from the statement of the Commissioner of Internal Revenue, and at this juncture I particularly ask the attention of the senior Senator from Utah [Mr. SMOOT].

I do not wish to violate the proprieties or any confidence of the Senate. I desire to refer to some figures in the statement by the Commissioner of Internal Revenue in response to Senate Resolution 108 relative to furnishing the Committee on Finance with statements of profits and losses of certain taxpayers. I desire to know if I am at liberty to read extracts from that publication?

Mr. SMOOT. That rests entirely with the Senator.

Mr. ASHURST. I do not want to violate any propriety or any confidence of the Senate.

Mr. SMOOT. I will say that personally I would not do it; but, if I wanted to, I would refer to the report as to whether the taxpayer's business was profitable or whether it was not profitable. That I do not think there is any impropriety in doing.

Mr. ASHURST. In the Senate, above any other place, or, rather, as well as in any other place, the amenities that guide and guard gentlemen should be observed. I think we all agree on that; and I expect to refer to and to read some extracts from these reports of the Commissioner of Internal Revenue that have been sent to us, but if Senators feel that I would thereby be violating the proprieties or the amenities, I would not do so. I ask the judgment of the Senate on this point.

Mr. SMOOT. I can only say, Mr. President, that I would not do it; but if I wanted to refer to any company whose report has been sent to the Finance Committee and to the Senate I would do it in a general way by saying that its operations were very profitable, or they were profitable, or they were not profitable.

Mr. ASHURST. Would the Senator deem that any reference to losses would be a violation?

Mr. SMOOT. No; I do not think that would be a violation.

Mr. WALSH of Montana. Mr. President—

Mr. ASHURST. I yield to the Senator from Montana.

Mr. WALSH of Montana. I trust the Senator from Arizona will not be restrained by any consideration of amenities or what might be regarded as gentlemanly conduct. If he is not restrained by the law from discussing these reports, and he does not feel that the law restrains him, I know of no consideration of propriety or appropriateness in debate that ought to restrain him in the slightest degree.

Mr. ASHURST. I am glad to have that light thrown upon the matter.

Mr. SMOOT and Mr. PHIPPS addressed the Chair.

Mr. ASHURST. I yield first to the Senator from Utah. Then I will yield to the Senator from Colorado.

Mr. SMOOT. Mr. President, I fully agree with the Senator from Montana; but, in my opinion, it would be a violation of law to do so. I do not mean that it would be a violation of law to state whether the taxpayer's operations were profitable or whether they were unprofitable, or whether there was a loss or whether there was a gain; but I do believe that the law prevents the publication of this matter here, where would be published in the Record and open to the world.

Mr. PHIPPS. Mr. President—

The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. I yield to the Senator.

Mr. PHIPPS. May I say that having looked at some of the reports that have come to us from the Tariff Commission, I note that in some instances concerns have been losing money year after year in certain lines of business. As far as the Steel Corporation is concerned, of course it is a leader in the steel business, and it is an outstanding mark. Everyone refers to it. It publishes all of its information. It conceals nothing. Nothing that the Senator might refer to in its report would be objected to; but I beg the Senator not to call attention to concerns that have been losing money, particularly at this moment, when a reference to their condition might have a disastrous effect on their business.

Mr. ASHURST. I shall adopt the suggestion of the Senator from Colorado and not refer to the losses of any company by name.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from North Carolina?

Mr. ASHURST. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator is discussing a very interesting question, and one which has been the subject of some controversy heretofore in the Senate.

The Senator from Montana [Mr. WALSH] is absolutely correct. Nothing in the way of courtesy or the amenities—to use the term of the Senator from Montana—ought to restrain the Senator from Arizona in the use of the information to which he refers. It is purely a question of how far he is permitted to use this information under the law.

The Federal law is that the returns of the taxpayer are secret, and not to be divulged by the Treasury Department to anyone except by authority of law. The law provides, however, that either the Finance Committee or the Ways and Means Committee may ask for these returns for their use, and that they may report these returns to the Congress. I do not think they have reported these returns to the Congress, but they have furnished them to the Members of the Senate and probably to the Members of the House.

With reference to the use of those returns, the Senator from Utah, I think, volunteered the opinion a few minutes ago that a Senator might refer to the losses.

Mr. SMOOT. A loss, but not the amount of the loss; or a gain, but not the amount of the gain.

Mr. SIMMONS. A Senator might refer to a profit, but not to the amount of the profit.

Mr. SMOOT. Yes.

Mr. SIMMONS. If that is the only use that the Senate committee or the Members of the Senate can make of this information after they get it, then it is absolutely useless information, and there is no practical object or purpose in the law which authorizes them to ask for these returns and to report them to the Congress.

I think that when those returns are placed in the hands of a Senator for his use it is a matter of discretion with him as to how he will use this information for the purpose of aiding him in the study or in the exposition of questions relating to the tariff; and, so far as I am concerned, if I felt that it was proper to use the exact returns of any concern in order to enlighten the Senate or the Members of the Senate with reference to the tariff rate under discussion, I should not have the slightest hesitation in doing it.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. SMOOT. So that the Senator will know just what the law is in this respect, I want to read it.

Any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and House, as the case may be.

There is no need of my reading the rest of it.

Mr. ASHURST. It is not at all to my taste to exploit, here or elsewhere, figures as to what somebody has made or lost, but I did think I had a right—indeed, that it was my duty—to point out that the steel interests, which have opposed a duty on manganese, have no grounds to complain that their industries were languishing, and that, therefore, they could not stand any duty upon their raw materials. I thought to reinforce my argument by showing that in many, if not in practically all, instances these steel industries were opulent and have enjoyed extremely large profits.

Mr. SIMMONS. Mr. President, will the Senator yield further?

Mr. ASHURST. I yield.

Mr. SIMMONS. Even if the Senator were not disposed to go as far as I said that I felt he was justified in going, certainly he could read, without mentioning the names, that certain steel companies showed a profit. If the Senator will pardon me further, I can not understand why those who are demanding high duties for certain industries in this country are so bent upon preventing the use of these returns of the income taxes.

Mr. SMOOT. It is not that at all.

Mr. WALSH of Montana. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. WALSH of Montana. I think it would be quite appropriate at this place to have incorporated in the RECORD the law. In my judgment there is no reason at all under the law why the Senator should not make such use of these reports as he cares to make. Section 1024 of title 26 of the Code of Laws reads as follows:

1024. Inspection; lists of persons making returns; amount paid: (a) Returns upon which the tax has been determined by the Commissioner of Internal Revenue shall constitute public records; but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary of the Treasury and approved by the President: *Provided*, That the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, or a special committee of the Senate or House shall have the right to call on the Secretary of the Treasury for, and it shall be his duty to furnish, any data of any character contained in or shown by the returns or any of them, that may be required by the committee; and any such committee shall have the right, acting directly as a committee, or by and through such examiners or agents as it may designate or appoint, to inspect all or any of the returns at such times and in such manner as it may determine; and any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and House, as the case may be.

The Finance Committee has called upon the Secretary of the Treasury for this information, and the information has been put into the hands of every Member of the Senate, so that the matter has been submitted to the Senate, and of course, if it is submitted to the Senate, it can be submitted only for such use as Senators may care to make of it.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. GEORGE. I desire to say that the position taken by the Senator from Montana is precisely the position taken by me in the Finance Committee meeting at the time when it was decided by the committee to submit to the Senate this information which is now published. Certainly, submitting this information to the Senate means the submission to the Senate in open session. It becomes a matter of public record, since we have no secret sessions of the Senate unless by an express vote, and then only on executive matters, like the confirmation of persons nominated to office.

Mr. ASHURST. Mr. President, I have tried fairly to take the sentiment and judgment of the Senate upon this question, and with due deference to those who may criticize my use of the figures—and I shall be conservative in using them—I believe, as an humble member of the bar of my State, that any Senator is justified in following the legal opinions of such eminent lawyers as the senior Senator from Montana [Mr. WALSH] and the junior Senator from Georgia [Mr. GEORGE]. In fact, lawyers, when talking with them, may be likened to Saul sitting at the feet of Gamaliel. I speak now of that period from the date of the signing of the Fordney-McCumber tariff bill until the end of the year 1928. The entire losses of the steel interests, upon which reports were asked by the committee, for the years 1922, 1923, 1924, 1925, 1926, 1927, and 1928 amount to \$1,503,259.34.

Mr. SMOOT. As the companies reported.

Mr. ASHURST. Yes; as the companies reported. Now, as to the profits. I take first the Otis Steel Co. The yearly profits, by years, according to their books, were:

1922	-----	\$496,207
1923	-----	1,358,231
1925	-----	1,162,612
1927	-----	1,359,904
1928	-----	3,746,811

Mr. WHEELER. Mr. President, what the Senator is reading, I take it, is the net gain after all of the depreciations, which in some instances were tremendous.

Mr. ASHURST. Yes; the net gain, according to the books of the various companies, after paying all replacements, taxes, betterments, salaries, and so forth—the net gain, according to their books.

The yearly profits of the Bethlehem Steel Corporation, according to their books, were:

1922	-----	\$4,607,254
1923	-----	12,710,712
1924	-----	8,922,446
1925	-----	13,866,753
1926	-----	20,246,166
1927	-----	15,529,917
1928	-----	15,980,835

Mr. BLACK. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. BLACK. Has the Senator computed the percentage of profits of the outstanding stock for any year?

Mr. ASHURST. No; I have not.

The profits by years, according to the books of the Gulf State Co., of Birmingham, Ala., were as follows:

1922	-----	\$958,207
1923	-----	1,576,521
1924	-----	912,873
1925	-----	1,036,777
1926	-----	779,792
1927	-----	756,403
1928	-----	924,745

The profits by years of the Inland Steel Co., according to their books, were as follows:

1922	-----	\$1,150,008
1923	-----	5,600,168
1924	-----	6,190,600
1925	-----	5,538,734
1926	-----	8,039,704
1927	-----	7,800,894
1928	-----	10,394,297

The profits of the Republic Iron & Steel Co., Youngstown, Ohio, according to their books, were as follows:

1922	-----	Not given.
1923	-----	\$6,644,343
1924	-----	2,068,297
1925	-----	3,813,484
1926	-----	3,623,774
1927	-----	3,018,282
1928	-----	4,642,450

The profits of the Wheeling Steel Corporation, Wheeling, W. Va., according to their books, were as follows:

1922	-----	\$1,725,260
1923	-----	5,448,169
1924	-----	865,110
1925	-----	4,073,295
1926	-----	5,660,184
1927	-----	4,028,916
1928	-----	6,443,739

The profits of the American Rolling Mills Co., Middletown, Ohio, according to their books, were as follows:

1922	-----	\$2,605,766
1923	-----	3,518,223
1924	-----	2,662,631
1925	-----	2,755,093
1926	-----	4,015,999
1927	-----	3,452,549
1928	-----	14,062,978

Mr. SACKETT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Kentucky?

Mr. ASHURST. I yield.

Mr. SACKETT. Has the Senator any data to show whether the companies are the same size or whether they have purchased other plants?

Mr. ASHURST. I have not.

Mr. SACKETT. The Senator surely does not want to intimate that if they have purchased other plants they are simply growing in profits? It may be due to mergers or various other matters of that kind, and simply to read the profits would give a wrong impression.

Mr. ASHURST. I am stating net profits according to the books of the various companies.

Mr. SACKETT. That is perfectly true. Those are the net profits according to their own books; but naturally the net profits would depend upon the size of the units which were operating in particular years. It may be if they had added units to the organization the totals would show more, although the profits were less.

Mr. ASHURST. The last one I shall read is United States Steel. Their profits, according to their books, were as follows: For the year 1922, \$39,653,455; for 1923, \$108,707,064; for 1924, \$85,110,940; for 1925, \$90,602,652; for 1926, \$116,667,404; for 1927, \$87,896,836; for 1928, \$114,173,774; a total of profits, according to their own books, since the signing of the Fordney-McCumber tariff bill of \$642,812,128.

To recapitulate, the total profits, according to the books of the companies reported upon, aggregate \$877,684,318.89, but deducting losses during this period, aggregating \$1,503,259.34, leaves a grand total of profits in the steel industry since the signing of the Fordney-McCumber bill until the end of 1928 of \$876,181,059.55.

The reliability of these figures becomes apparent in the light of the fact that they are submitted by the different corporations as a basis on which to compute their income taxes. Obviously the net income would not be reported as less than the figures given. Incidentally it is interesting to note that these enormous profits have been earned by the steel companies during a period of hopeless depression on the part of mines and agriculture.

The able Senator from Nevada [Mr. ODDIE], in the course of his address yesterday, pointed out—and I shall not traverse the ground over which he passed—the need for the tariff which would be afforded if his amendment should be adopted.

When he concluded his address the senior Senator from Washington [Mr. JONES] read a letter from a gentleman who went on to say that manganese is a very necessary item in our national defense and that therefore we ought not to put a tariff thereon. The point the Senator from Washington made is to my mind conclusive, to wit: That if manganese be, as it is, a metal necessary in the manufacture of ordnance and other munitions, for a stronger reason, a fortiori, we ought to build up the industry at home. Senators will remember in the dark days of March and April, 1918, that our miners and prospectors in response to the call of their Government went out upon the hills, smote the obdurate face of nature to compel her to bring forth her treasures, not of gold, not of silver but of manganese, that we thereby stimulated the production of manganese but at that same time we were bringing from overseas half of our manganese. Who does not recall the unfortunate and mysterious disappearance of the steamship *Cyclops* which was last heard of some time during the month of March, 1918, somewhere in the West Indies; she was bound for an Atlantic port in the United States from Barbados, laden with manganese ore; she had a complement of 211 men, 15 officers, and 57 passengers. Nothing was ever heard of her further, and men and cargo were all lost. She sank without a trace. Not a spar has ever come to the surface to indicate her fate. We remember that poignancy of the grief that fell upon us because upon the *Cyclops* at the time she sank was a close relative of a United States Senator who was serving then with us. What was the mission of that ship? With what was she laden? She was bringing manganese to the United States to assist in the manufacture of our own ordnance and other munitions of war.

Passing from a discussion as to the use of manganese in the manufacture of munitions, I repeat that I need not here tell anyone how widely is manganese now used in the manufacture of steel products. The opponents of a duty on manganese have inveterately said that "It is hopeless, it is useless, to attempt even by a tariff to stimulate the production of manganese in the United States." "Let us surrender," they say. "We can not ever hope to be in a position where the United States can pro-

duce enough manganese to meet our own demands, but we must have free trade on this ore, because," as they assert, "American genius and American capital can not produce enough manganese to take care of our own needs."

Let us examine that contention. On the wall is a map. That map is not made by some one connected with the manganese industry. It is made by the Geological Survey. I ask Senators to examine the map and they will see a large number of black pins—216 in number—embracing 34 States.

Each black pin represents a manganese deposit. Passing along we reach and pass through Arkansas and Oklahoma and reach the State of New Mexico, so ably represented here by her two Senators. There manganese deposits exist. Crossing my own State of Arizona we still see black pins, and in and around the area where the tip of Nevada touches Arizona, at about the position of the proposed Boulder Dam, are enormous deposits of manganese. Passing on into the State of California, a State so well represented in this body, I call attention to the black pins on the map showing manganese deposits. I can not refer to each State, but I ask Senators to look at the map and see how many there are. There are more than 216 black pins representing manganese deposits, and I can not take time to mention them all.

I have here in my hand another map made by the Government, not a map privately made by myself or some one else but made by the United States Government in 1918. I digress to ask why was this map withheld from the public all these years? Why was it not promulgated? This map bears the stamp "First proof," I presume of the Geological Survey, "February 20, 1920," but so far as I am advised it has just come to light. It discloses that the Government officials themselves not lately indicated, but years ago, many of the same places and same deposits indicated by the black pins on the large map to which I have just called attention.

In order that Senators may know where these deposits are and how vast they are I shall read a few of them, but I can not read them all. I ask permission at this juncture to include in the RECORD not the map but the legend or list containing the names of the States, the names of the counties, and the names of the mines or districts where manganese deposits are found.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

Location of manganese deposits

Sheet No.	District	County
ALABAMA		
1	Woodstock	Bibb.
2	Rock Run-Borden Springs	Cherokee-Cleburne.
3	Shinbone Valley	Clay.
4	Walnut Grove	Etowah-Blount.
5	Keener	Etowah.
ARIZONA		
1	Tombstone	Cochise.
2	Warren (Bisbee)	Do.
3	Pine district, 56 miles southwest of Winslow	Cocoonino.
4	15 miles northeast of Canyon Diablo	Do.
5	Globe	Gila.
6	Fort Thomas	Graham.
7	Morenci	Greenlee.
8	Ash Peak	Do.
9	Big Horn Mountains	Mariopa.
10	2 miles east of Bosque	Do.
11	18 miles southwest of Sentinel	Do.
12	12 miles southeast of Columbia	Do.
13	Owens (Williams River), 45 to 53 miles west of Congress Junction	Mohave.
14	33 miles west of Congress Junction	Do.
15	Colorado River, 42 miles north of Parker	Do.
16	16 miles east of Searchlight, Nev.	Do.
17	Topock district, 9 miles south of Topock	Do.
18	Florence district, 12 miles southeast of Florence	Pinal.
19	Superior	Do.
20	Old Hat district, 12 to 16 miles south of Winkelman	Do.
21	Table Mountain district, 10 miles east of Mammoth	Do.
22	Patagonia district, 12 miles south of Patagonia	Santa Cruz.
23	Mayer district, 12 miles southeast of Mayer	Yavapai.
24	Aguila district, 9 miles northwest of Aguila	Do.
25	23 miles northeast of Hot Springs Junction	Do.
26	Bouse district, 6 miles east of Bouse	Yuma.
27	Ellsworth, 32 miles southwest of Salome	Do.
28	12 miles northwest of Midway	Do.
29	2 miles east of Ligurta	Do.
ARKANSAS		
1	Cushman	Independence.
2	Glenwood	Pike.
3	Brushy, Brooks, and Hogpen Mountain	Do.
4	Statehouse, Sugar Tree, and Leader Mountain	Do.
5	Hanna Range and Shadow Rock Mountain	Polk.

Location of manganese deposits—Continued

Sheet No.	District	County
CALIFORNIA		
1	Livermore-Tesla district, 8 to 12 miles southeast of Livermore.	Alameda.
2	Defender.....	Amador.
3	Pine Grove, Volcano, and Oleta.....	Do.
4	Mountain Springs.....	Do.
5	Clipper Mills and Lumpkin.....	Butte.
6	Murphy's, Collierville, and Sheep Ranch.....	Calaveras.
7	Copperopolis, Keystone, and Gopher Ridge.....	Do.
8	San Andreas.....	Do.
9	Diamond Springs and Placerville.....	Eldorado.
10	Squaw Valley.....	Fresno.
11	Watts Valley and Sycamore.....	Do.
12	6 miles northwest of Stonyford.....	Glenn.
13	3 miles north of Arcata.....	Humboldt.
14	Fort Seward.....	Do.
15	Charles Mountain district, 20 miles northeast of Fort Seward.....	Do.
16	Fort Baker district, 25 to 30 miles east of Carlotta.....	Do.
17	Chocolate Mountains, 29 to 33 miles northeast of Glamis.....	Imperial.
18	Wiley Well.....	Do.
19	State Range district, 10 miles north of Trona.....	Inyo.
20	32 miles west of Zabriskie.....	Do.
21	Randsburg.....	Kern.
22	Blue Lakes and Witter Springs.....	Lake.
23	10 miles north of Upper Lake.....	Do.
24	13 miles east of Pieta.....	Do.
25	Cobb Mountain, Geyser, and other districts, 25 to 30 miles northeast of Calistoga.....	Do.
26	Arabella and other districts, 40 to 46 miles north of Calistoga.....	Do.
27	18 miles west of Rumsey.....	Do.
28	Highland Springs.....	Do.
29	Palmdale.....	Los Angeles.
30	Sierra Pelona.....	Do.
31	Oneal.....	Madera.
32	Coarse Gold.....	Do.
33	8 miles north of San Rafael.....	Marin.
34	Coulterville.....	Mariposa.
35	Sweetwater.....	Do.
36	Calpella and Redwood.....	Mendocino.
37	Sanhedrin Mountains and Willetts.....	Do.
38	22 and 35 miles east of Dos Rios.....	Do.
39	Spy Rock.....	Do.
40	Longvale.....	Do.
41	Mina.....	Do.
42	Bland Cove.....	Do.
43	Largo.....	Do.
44	8 miles north of Cloverdale.....	Do.
45	Covelo, Woodman, and Dos Rios.....	Do.
46	26 miles east of Tres Pinos.....	Merced.
47	Dogtown.....	Mono.
48	San Carpojoro Creek.....	Monterey.
49	Monticello.....	Napa.
50	Callistoga.....	Do.
51	Rutherford.....	Do.
52	Wolf Creek.....	Nevada.
53	Bear River.....	Do.
54	Yankee Jim.....	Placer.
55	Quincy, Crescent Mills, Taylorsville, and Greenville.....	Plumas.
56	Ironwood.....	Riverside.
57	Maria Mountains.....	Do.
58	Elstnore.....	Do.
59	18 to 23 miles east of Tres Pinos.....	San Benito.
60	31 miles southeast of Tres Pinos.....	Do.
61	13 miles northeast of Hollister.....	Do.
62	43 miles north of Parker.....	San Bernardino.
63	10 miles north of Drennan.....	Do.
64	Newberry.....	Do.
65	Ludlow.....	Do.
66	Needles.....	Do.
67	Owl Holes.....	Do.
68	Boulevard.....	San Diego.
69	Corral Hollow.....	San Joaquin.
70	San Simeon.....	San Luis Obispo.
71	San Luis and Los Osos.....	Do.
72	Arroyo Grande.....	Do.
73	Atascadero and Cambria.....	Do.
74	Santa Barbara.....	Santa Barbara.
75	Red Mountain and Milpitas.....	Santa Clara.
76	24 to 34 miles south of Livermore.....	Do.
77	Madrone.....	Do.
78	Harrison Gulch.....	Shasta.
79	Heroult.....	Do.
80	Yreka and Fort Jones.....	Siskiyou.
81	Klamathon.....	Do.
82	Callahan Gulch.....	Do.
83	Pineflat.....	Sonoma.
84	20 miles northeast of Geyserville.....	Do.
85	9 miles west of Geyserville.....	Do.
86	2 miles northwest of Mark West Springs.....	Do.
87	Ingraham and Hospital Canyon.....	Stanislaus.
88	Paskenta.....	Tehama.
89	Brushy Mountain.....	Trinity.
90	Naphis Peak.....	Do.
91	Wildwood.....	Do.
92	Milo.....	Tulare.
93	Lindsay.....	Do.
94	Chinese Camp.....	Tuolumne.
95	Sonora.....	Do.
COLORADO		
1	Salida district, 10 miles north of Salida.....	Chaffee.
2	Silver Cliff.....	Custer.
3	Red Cliff.....	Eagle.

Location of manganese deposits—Continued

Sheet No.	District	County
COLORADO—continued		
4	Wellsville district, 2 miles east of Wellsville.....	Fremont.
5	Ohio City.....	Gunnison.
6	Cebolla Valley, 2 miles south of Powderhorn post office.....	Do.
7	Sapinero.....	Do.
8	Steuben Valley.....	Do.
9	Spring Creek.....	Do.
10	White Pine.....	Do.
11	Capital City.....	Hinsdale.
12	Pearl.....	Jackson.
13	Leadville.....	Lake.
14	15 miles east of Moffat.....	Saguache.
15	Klondyke district, 50 miles west of Placerville.....	San Miguel.
16	Cripple Creek.....	Teller.
GEORGIA		
1	Cartersville.....	Bartow.
2	Blue Ridge and Cherrylog.....	Fannin and Gilmer.
3	Cave Springs.....	Floyd and Polk.
4	Union Point and Robinson.....	Greene and Taliaferro.
5	Mount Airy.....	Habersham.
6	Draketown.....	Haralson and Paulding.
7	Bowersville.....	Hart and Franklyn.
8	Lincolnton.....	Lincoln.
9	Doogan Mountain.....	Murray.
10	Cohutta and Tunnel Hill.....	Whitfield and Catoosa.
IDAHO		
1	1 mile north of Soda Springs.....	Bannock.
2	2 to 3 miles southeast of Sturgill, Oreg.....	Washington.
MAINE		
1	Blue Hill.....	Hancock.
MARYLAND		
1	Dargan.....	Washington.
MICHIGAN		
1	Stambaugh.....	Iron.
MINNESOTA		
1	Cuyuna Range.....	Crow Wing.
2	Mesaba.....	St. Louis.
3	Virginia.....	Do.
MISSISSIPPI		
1	Winborn.....	Benton.
MISSOURI		
1	Pilot Knob and Arcadia.....	Iron.
2	Cornwall.....	Madison.
MONTANA		
1	4 miles west of Melrose.....	Beaverhead.
2	Neihart.....	Cascade.
3	Bozeman, Elk Creek.....	Gallatin.
4	Phillipsburg.....	Granite.
5	7 miles southwest of Hall.....	Do.
6	Wickes.....	Jefferson.
7	Wigwam Creek, 42 miles south of Norris.....	Madison.
8	7 miles southeast of Norris.....	Do.
9	Point of Rocks, 3 miles south of Renova.....	Do.
10	Varney.....	Do.
11	Castle.....	Meagher.
12	1 mile north of Bonita.....	Missoula.
13	Butte.....	Silver Bow.
NEVADA		
1	15 to 18 miles southeast of Las Vegas.....	Clark.
2	12 miles southeast of Shafter.....	Elko.
3	16 miles south of Jasper Siding.....	Do.
4	5 to 7 miles south of Goldfield.....	Esmeralda.
5	Eureka.....	Eureka.
6	Golconda.....	Humboldt.
7	20 miles south of Mill City.....	Do.
8	22 miles southwest of Stonehouse.....	Do.
9	12 miles southwest of Golconda.....	Do.
10	Austin.....	Lander.
11	Pioche.....	Lincoln.
12	Jack Rabbit district, 14 miles north of Pioche.....	Do.
13	24 miles east of Vigo.....	Do.
14	1 mile southwest of Sodaville.....	Mineral.
15	8 miles east of Rand.....	Do.
16	12 miles northeast of Schurz.....	Do.
17	70 miles northeast of Tonopah.....	Nye.
18	3 miles south of Carson City.....	Ormsby.
19	Ely.....	White Pine.
20	Siegel.....	Do.
NEW JERSEY		
1	Annandale.....	Hunterdon.
2	Franklin Furnace.....	Sussex.
NEW MEXICO		
1	Rincon.....	Dona Ana.
2	8 miles northwest of Rincon.....	Do.
3	Fierro.....	Grant.
4	Silver City.....	Do.
5	Cap Rock Mountain.....	Do.

Location of manganese deposits—Continued

Sheet No.	District	County
NEW MEXICO—continued		
6	Florida Mountains	Luna.
7	Cooks Range	Do.
8	4 miles northeast of Santa Fe	Santa Fe.
9	New Placers district, 18 miles northwest of Stanley	Do.
10	Hillsboro	Sierra.
11	Kingston district, 28 miles northwest of Lake Valley	Do.
12	Lake Valley	Do.
13	Hot Springs district, 18 miles southwest of Engle	Do.
14	Derry	Do.
15	Socorro Mountains	Socorro.
16	San Lorenzo	Do.
17	Magdalena	Do.
18	Luis Lopez	Do.
NORTH CAROLINA		
1	Jefferson	Ashe.
2	Shooting Creek	Cherokee.
3	Kings Mountain	Cleveland.
4	Hot Springs	Madison.
5	Mount Airy	Surry.
6	Brevard	Transylvania.
OKLAHOMA		
1	Bromide	Johnston.
2	West He Mountain	McCurtain.
3	Pine Springs	Do.
4	Hochatown	Do.
OREGON		
1	Durkee and Pleasant Valley	Baker.
2	12 miles northeast of Rogue River	Jackson.
3	4 miles east of Rogue River	Do.
4	Lake Creek district, 11 to 18 miles east of Eagle Point	Do.
5	Wagner	Do.
6	Watkins district, 43 miles southwest of Grants Pass	Josephine.
PENNSYLVANIA		
1	Ironton	Lehigh.
SOUTH CAROLINA		
1	Abbeville	Abbeville.
2	McCormick	Do.
SOUTH DAKOTA		
1	Hellgate Canyon, 13 miles southwest of Custer	Custer.
2	Lead	Lawrence.
TENNESSEE		
1	Copper Ridge	Anderson.
2	Greenback	Blount.
3	Chilhowee Mountain	Do.
4	Louisville	Do.
5	Tuckaleeche Cove	Do.
6	Charleston	Bradley.
7	Cleveland	Do.
8	Whiteoak Mountain	Do.
9	Stony Creek	Carter.
10	Hampton	Do.
11	Del Rio	Cooke.
12	Newport	Do.
13	Rutledge	Grainger.
14	Washburn	Do.
15	Haysville	Greens.
16	Boatman Ridge	Hamblen.
17	Jefferson	Jefferson.
18	Shady Valley	Johnson.
19	Mountain City	Do.
20	Butler	Do.
21	Knoxville	Knox.
22	Pine Ridge	Do.
23	Loudon	Loudon.
24	Fork Creek Knobs	Do.
25	Athens	McMinn.
26	McMinn	Do.
27	Sweetwater	Monroe.
28	Tellico Plains	Do.
29	East Fork	Sevier.
30	Unicoi	Unicoi.
31	Bumpass Cove	Do.
TEXAS		
1	5 miles north of Llano	Llano.
2	12 miles northeast of Mason	Mason.
3	11 miles southeast of Langtry	Val Verde.
UTAH		
1	12 miles south of Green River	Emery.
2	Little Grande district, 6 to 12 miles southwest of Floy	Grand.
3	16 miles south of Floy	Do.
4	Modena	Iron.
5	Detroit district, 26 to 28 miles northwest of Lucerne	Juab.
6	Manning Creek, near Marysvale	Piute.
7	Durkee district, 8 miles southeast of Elsinore	Do.
8	8 miles northwest of Mount Pleasant	Sanpete.
9	Alta	Salt Lake.

Location of manganese deposits—Continued

Sheet No.	District	County
UTAH—continued		
16	Park City	Summit.
11	Ophir	Tooele.
12	West Tintic or Erickson district, 31 to 33 miles north of Lucerne	Do.
13	70 miles south of Green River, Wyo.	Uinta.
14	10 miles southwest of Lehi	Utah.
15	Tintic	Do.
16	6 miles south of Huntsville	Weber.
VERMONT		
1	South Wallingford	Rutland.
VIRGINIA		
1	Covington	Alleghany.
2	Crimora	Augusta.
3	Lyndhurst	Do.
4	Suiter	Bland.
5	Longspur	Do.
6	Buchanan	Botetourt.
7	Lynchburg	Campbell.
8	Otter River	Do.
9	Newcastle	Craig.
10	Scottsville	Fluvanna.
11	Star Tannery	Frederick.
12	Flat Top	Giles.
13	Louisa	Louisa.
14	Warminster	Nelson.
15	Stanley	Page.
16	Pulaski	Pulaski.
17	Midvale	Rockbridge.
18	Elkton	Rockingham.
19	Powells Fort	Shenandoah.
20	Bonnet Hill	Do.
21	Rye Valley	Smyth.
22	Tip Top	Tazewell.
23	Tannersville	Do.
24	Front Royal	Warren.
25	Cripple Creek	Wythe.
WASHINGTON		
1	Humptulips	Grays Harbor.
2	15 miles west of Quilcene	Jefferson.
3	2 miles northwest of Hoodspout	Mason.
4	3 miles northwest of Omak	Okanogan.
5	6 miles south of Anacortes	Skagit.
WYOMING		
1	38 miles northeast of Medicine Bow	Albany.
2	10 miles north of Sundance	Crook.

Mr. OVERMAN. Mr. President, will the Senator read the counties in North Carolina where manganese is found?

Mr. ASHURST. I thank my able and beloved friend from North Carolina for his interruption. In Ashe County, the Jefferson district; in Cherokee County, the Shooting Creek district; in Cleveland County, the Kings Mountain manganese properties—and what a host of precious memories are conjured up by the very name "Kings Mountain"; Hot Springs district, in Madison County; in Surry County, the Mount Airy claims; and in Transylvania County, the Brevard properties; and so on. About these deposits the argument is to the effect, "Oh, yes; but the ores are of low grade."

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Montana?

Mr. ASHURST. I yield.

Mr. WALSH of Montana. Before the Senator passes that particular matter, I desire to advise the Senate that in 1927 the Geological Survey and the Bureau of Mines published a bulletin entitled "Manganese and Manganiferous Ores," in which are listed 17 States in which not only are there deposits of manganiferous ores but in which the deposits are actually worked and shipments made, and in the case of each State the productive mines are listed.

Mr. ASHURST. A vast deal of misinformation and erroneous propaganda have been sent forth alleging that there is very little low-grade manganese ore in the United States and that there is even a still smaller quantity of high-grade manganese ore in the United States; thus the impression has been created in some quarters that our steel manufacturers would dwindle and would probably disappear if the steel interests depended upon the United States for their manganese, but the very reverse is true, to wit, there is an abundance of manganese ore, both of the high grade and the low grade, in the United States.

Within the past few years chemistry and metallurgical methods for beneficiating these manganese ores have made enormous progress. Indeed, these discoveries and advances in chemistry, geophysics, metallurgy, and chemical engineering within the past seven or eight years are so dazzling that they

almost rival the old dream of the Alembic; and when we invoice and catalogue the recent great discoveries in science we feel that Aladdin's Lamp and the Purse of Fortunatus in comparison are tame and prosaic. To this generation has been given the keys to the kingdom of the material world.

No well-informed man would attempt to delimit the boundaries of chemical science or deny that the quiet laboratory may signify more agencies for national defense and more potentialities for the victories of peace than a whole regiment, and that sometimes a timid and bespectacled chemist is as important in bringing about victory in war or in advancing peaceful pursuits and mobilizing the resources of civilization as are barkers, parliamentarians, and Government executives. Just so, within the past decade, scientific chemistry now beneficiates manganese ores, and these manganese ore deposits of our own country are ample to supply the needs and requirements of our industries.

Therefore when we are told in the lugubrious jeremiads of the steel manufacturers that there is not a sufficient quantity of manganese in the United States for our industries, we reply to such a plea of pessimism and defeatism that the prospector and miner, that science and chemistry, refute such doleful assertions. Science is the fifth estate, and her wizardries may with confidence be depended upon to beneficiate our manganese ores.

Mr. BLACK. Mr. President, before the Senator concludes will he yield to me?

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Alabama?

Mr. ASHURST. I yield.

Mr. BLACK. I want to read to the Senator a statement which came to me and find out if there has been any refutation of it or any denial of it. It is said to have been made by Dr. George Otis Smith, Director of the United States Geological Survey, on January 7, 1928. I did not call it to the Senator's attention while he was speaking, because I did not desire to interrupt the thread of his remarks. That statement is as follows:

These conclusions are, in brief, that there are not reasonably in sight sufficient supplies of manganese ores of acceptable grade in the United States to supply more than a small part of our current domestic needs.

As I recall, the Senator put in the RECORD a few days ago—or some other Senator did—a statement from Doctor Smith. I do not recall whether it was the Senator from Arizona or not.

Mr. ASHURST. It was not I.

Mr. BLACK. I imagine some one will refer to that, however, if the Senator does not intend to mention it.

Mr. PHIPPS. Mr. President—

The PRESIDENT pro tempore. The Senator from Colorado.

Mr. PHIPPS. Mr. President, before reading a brief statement which I have prepared, I should like to say, along the line of the report from George Otis Smith, that his statement is definitely limited to high-grade ores, if I may put it in that way, and I shall have occasion to refer to a report which I received from the same gentleman, which is included in my remarks.

Mr. WALSH of Montana. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Montana?

Mr. PHIPPS. I yield.

Mr. WALSH of Montana. Along the line of suggestion made by the Senator from Colorado, I call attention to the fact that the language, even if Doctor Smith is quoted correctly, is that there is not a sufficient amount of acceptable grades, which means, of course, that there is not enough high-grade manganese in the United States to supply its wants. I presume that means ore containing 50 per cent of manganese, and I suppose no one will undertake to controvert that assertion. The contention is, however, that there is an unlimited quantity of low-grade ore that can be beneficiated and concentrated so that it will reach an acceptable grade.

Mr. ASHURST. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Arizona?

Mr. PHIPPS. I yield.

Mr. ASHURST. In view of the question propounded by the junior Senator from Alabama [Mr. BLACK], I am constrained to ask the clerk to read a copy of a letter which I addressed to the Geological Survey.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The Chief Clerk read as follows:

OCTOBER 29, 1929.

UNITED STATES GEOLOGICAL SURVEY,
Washington, D. C.

GENTLEMEN: In view of the statements contained in the very able address of Mr. William B. Daly, manager of mines of Anaconda Copper Mining Co., delivered on September 9 at the Mayflower Hotel, Washington, D. C., during the convention of the American Manganese Producers' Association, a copy of which I am inclosing, I am reminded of a statement reported to have been made by Dr. George Otis Smith, your director, on January 7, 1928, in a letter to the editor of Manufacturers Record, Baltimore, Md. In this letter he is quoted as saying:

"For many years, before, during, and since the war, the United States Geological Survey has been studying the manganese situation, including manganese reserves in the United States, as it has been studying other mineral resources and reserves. Its conclusions and the basis therefor are available, in numerous publications, to you and to any others who may desire to get at the facts of the situation.

"These conclusions are, in brief, that there are not reasonably in sight sufficient supplies of manganese ore of acceptable grade in the United States to supply more than a small part of our current domestic needs. * * * Unfortunately, the situation that existed in 1917-18 has not been materially altered in the last decade. Indeed, many deposits on which development was then attempted have since been practically forgotten. * * *

"In 1908 Mr. E. C. Harder examined all of the important and many unimportant manganese deposits throughout the United States and prepared Bulletin 427, Manganese Deposits of the United States, 288 pages. During 1916, 1917, and 1918, 12 geologists of this survey and six others employed by State surveys devoted a total of 50 months' time to field examinations of domestic manganese deposits. Of the 1,181 deposits examined, 588 were studied in detail."

These statements are so utterly at variance with the statements contained in Mr. Daly's speech and, incidentally, are so different from my own understanding, that I feel justified in asking you for some information (which I am seeking as a member of the Committee on Mines and Mining of the United States Senate). Inasmuch as Doctor Smith's letter indicates that you have very definite and precise knowledge of what he calls "all of the important and many unimportant manganese deposits throughout the United States," I assume that the data you have at hand will enable you to answer without delay the following questions:

1. The amount that the Geological Survey has expended annually for the past five years in defraying the expenses (other than salary) of geologists and engineers employed by your department whose work is devoted exclusively to the investigation of manganese properties.

2. In this connection, will you advise what properties (naming them) were examined, and when? Kindly let your report show the tonnage assigned to each and the grade of the ore.

3. Kindly state how much time on the ground was devoted to the examination of each of the properties you have referred to and what factors were used in estimating the tonnage.

4. Will you kindly advise what length of time it usually requires for a geologist or engineer to assemble and work into the form of a report the necessary data to establish tonnage as they pertain to the following manganese deposits:

- a. Residual deposits.
- b. Replacement deposits.
- c. Vein deposits.

Ordinarily what would the exploration work cost in the instance of each type of deposit? As you must have had this information in great detail in order to have reached the definite conclusions mentioned in Doctor Smith's letter, may I ask what this particular work cost the United States Geological Survey?

5. Speaking specifically, what tonnage of ore do you assign to the (a) Butte district and (b) to the Phillipsburg district, Montana? Also what is the tonnage in the South of (1) the Hurt property in Georgia, now being developed on a large scale by the Brunswick Terminal & Railway Co., and also (2) on the "Old Dominion" property, in Augusta County, Va., near Crimora? Similarly, let me know the tonnage of positive, probable, and possible ore found in the instance of the Mineral Ridge deposit, situated about 11 miles north of Woodstock, Va., and operated by the Hy-Grade Manganese Co. Have you ever examined them or any others in detail in order to have this data accurate and dependable? If so, please let me have the data and the figures requested, and the data on which based.

6. In Doctor's Smith's letter he says there is not an adequate domestic supply of ore of "acceptable grade." Please state what you then had in mind as "acceptable grade," and whether you then excluded and now exclude beneficiated ores and ores susceptible of beneficiation therefrom.

7. Are you familiar with the methods of beneficiation that have been worked out by Bradley, the Bureau of Mines (including the Devaney process), the Nagelvoort process, and others?

I desire, if you please, that these questions be answered fully rather than that I should only be referred to this or that bulletin. Of course, there is no objection to as many references as you desire to give, but I desire to be answered specifically and helpfully, and as quickly as possible.

Sincerely yours,

HENRY F. ASHURST,
United States Senator from Arizona.

Mr. ASHURST. Mr. President, will the Senator yield to me?
Mr. PHIPPS. I yield to the Senator.

Mr. ASHURST. It is obvious that some searching questions are asked in the letter. To date I have received no reply, and as much data are required to be assembled, I could not really expect a very prompt reply and am not complaining.

Mr. ODDIE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Nevada?

Mr. PHIPPS. I yield to the Senator.

Mr. ODDIE. I desire to make a short comment on the statement the Senator from Arizona has just made and the matter he has been discussing.

The Mineral Resources Division of the Geological Survey was transferred to the Department of Commerce at the same time the Bureau of Mines was transferred; and the Mineral Resources Division has considerable data on manganese deposits in the United States which the Geological Survey necessarily does not have to-day. That may account for the lack of certain information from Doctor Smith.

Mr. ASHURST. I thank the Senator.

Mr. PHIPPS. It is my understanding that the pending question is the amendment offered by the Senator from Nevada [Mr. ODDIE], in the nature of a substitute for the manganese clause.

The PRESIDENT pro tempore. That is correct.

Mr. PHIPPS. Mr. President, in the consideration of the pending tariff bill I shall oppose to my utmost ability any attempt to place manganese ores upon the free list.

As Senators are aware, manganese ores and concentrates containing in excess of 30 per cent of metallic manganese are now given a protective duty of 1 cent per pound upon their manganese content. The House made no change in this rate when the bill was before that body; but the Senate Committee on Finance, after some deliberation, has recommended that manganese should be imported without payment of any tariff duty. In my opinion, this would be a grave mistake. Instead of withdrawing such aid from an infant but vital American industry, it is my firm belief that additional protection should be accorded at this time.

I believe that Congress should grant the plea of the producers of this valuable domestic product. I believe the present rate on manganese ore containing more than 30 per cent of metallic manganese should be increased from 1 cent to 1½ cents per pound, and that tariff protection should also be extended to all ores containing more than 10 per cent of manganese. I shall support the amendment ably sponsored by the Senator from Nevada [Mr. ODDIE], who is the chairman of the Committee on Mines and Mining, and urge the Senate to give deserved recognition to this branch of the metal-mining industry. The proposed schedule has the support of the American Manganese Producers' Association, which speaks for those who mine manganese throughout the country.

Mr. President, this is not a selfish plea for my own State or for a few others in the West, much as western industry deserves encouragement at the hands of the Federal Government. At least 32 of the 48 States of the Union contain substantial deposits of manganese, and are, therefore, deeply interested in this matter. It will be observed that, as in the case of Colorado, such ores are widely scattered throughout the country, and can be found in the central, eastern, northern, and southern, as well as western portions of the United States. I understand that in the adjoining State of Virginia manganese is being produced, and that a concentrating plant is now being completed which will have a production of 30,000 tons of ore yearly.

Colorado is deeply interested. This matter is of extreme importance to mining in my own State. Manganese deposits are widely distributed in Colorado, as the ore has been found in paying quantities in at least nine counties—namely, Eagle, Chaffee, Park, Teller, Fremont, Saguache, Gunnison, Custer, and Hinsdale. Some of these deposits are of enormous size, and should be of great value.

In this connection I wish to cite Dr. R. D. George, who has been our State geologist for many years, and who wrote me on May 21, 1929, as follows:

A recent canvass of the production possibilities indicates that within a very short time after the imposition of a satisfactory tariff on man-

ganese ores and products, Colorado could produce 400 tons of manganese ores per day. This estimate is very conservative, as I am assured by men who are thoroughly familiar with the situation that Leadville alone could produce 300 tons per day. The operators at Red Cliff could easily produce a hundred tons per day of manganese ore having a workable content of manganese. Cripple Creek and a number of other places, particularly the Gunnison region, could together provide another hundred tons per day. These deposits include pure manganese ores of high metallic manganese content and practically free from silica at the one extreme, and manganese iron ores carrying from 20 to 25 per cent metallic manganese at the other extreme. The greater tonnage will be ores of the manganese iron type. Of these latter, Leadville is now shipping more than 100 tons per day, and the operators assure me that they could very easily increase their output to 300 tons per day. The mining men of Colorado earnestly hope that fair protection may be given to the manganese industry of the State.

Many proper reasons may be advanced for placing a duty of 1½ cents per pound on manganese. An adequate protective rate would prove of real encouragement and benefit to the industry. Even under the present duty of 1 cent a pound new properties have been opened up and new processes for the production of high-grade ore from low-grade deposits have been successfully developed. The ores produced in this fashion have a real commercial value and compare favorably with those mined in Russia and other parts of the world. The domestic market, however, is still slow. It is the same old story. Imports of foreign ores, cheaply produced, have caused the price to drop below its proper level and have retarded the development of the industry. While producers are still active, they have become somewhat discouraged, and, in my opinion, have the right to request adequate protection from the ruinous competition of convict and coolie labor in the Far East. If Congress heeds their plea the industry will take its rightful place in the mining development of the United States.

In considering this question we should not overlook the splendid possibilities of the new concentrating processes I have mentioned. Some experimental work remains to be done. After these methods of extraction are developed to the point of perfection, I am assured that it is only a matter of a few years before the domestic producers will be able to meet any foreign competition, both as to quality and as to price.

Again, manganese is indispensable in the making of steel and is essentially a war material, as demonstrated by the insistent demand for it at any price during the World War. While we hope for no more wars, it is only prudent for this Nation not to be dependent upon foreign countries for articles essential to national defense.

We learned our lesson in that respect during the dark days of 1917 and 1918. We must be prepared, so that we can supply our own vital necessities in time of war as well as in time of peace. This reason alone, in my opinion, is sufficient to justify proper encouragement of the manganese industry by the Federal Government.

In drafting a tariff law we must be fair to all. Inasmuch as finished steel products are protected by adequate duties, producers of the raw materials used in the manufacture of steel are entitled to equal consideration at the hands of Congress. Prosperity thus secured will be of benefit to all our citizens.

Mr. President, the primary purpose of the present session of Congress is to aid agriculture. We have succeeded in creating a Farm Board for that purpose, and it is now functioning in a manner beneficial to that lagging industry. Now that we are revising the tariff, it is contended in some quarters that in order to aid farming we need only consider strictly agricultural rates. From my viewpoint, such an attitude appears to be extremely shortsighted. Here is a case in point: The United States Department of Agriculture has discovered that manganese is a valuable factor in the production of fertilizer. This has been demonstrated by the department during the past few years, especially through experiments in southern Florida, and the use of manganese for that purpose has steadily increased. In fact, it is claimed that the presence of this ore in some form is essential to plant growth. We should therefore encourage its production at home, to the end that manganese may be more generally used in the making of fertilizer and more readily available when desperately needed in large quantities for agricultural uses. Development of our domestic supply will in a short time result in reducing the selling price of the lower-grade ores to a figure below that of foreign ores brought in free of duty.

Mr. President, the need for this modest duty is clear. The matter has been presented in great detail, and copies of the recent hearings are available to every Member of this body. Therefore I shall not burden the Record with an imposing array of facts and figures. I have in my files letters from many Colorado citizens interested, as well as mining organizations throughout the country, including the Colorado Mining Association,

which is a branch of the American Mining Congress. The importance of this matter has already been presented to this body. I am convinced that Senators will realize the justice of the plea and that, acting in behalf of the entire country, the Senate will grant to this small but most deserving industry the tariff protection it now requires.

Mr. BRATTON. Mr. President, the subject matter which now engages the attention of the Senate has been quite thoroughly presented. It seems to me that a perfect picture has been drawn portraying incontestably the unsoundness and economic fallacy of the action proposed by the Finance Committee to take manganese ore from the dutiable list and placing it on the free list.

I desire to say at the outset that I am in no sense a free trader. I believe in reasonable tariff duties. I do not believe they should be raised to the point of permitting or making possible monopolistic control anywhere in the country, or of establishing an embargo against the importation of foreign-produced commodities.

In my view, the true science of the tariff is to distribute it throughout the country as nearly equally, equitably, and uniformly as it can be done, having regard for all phases of economic conditions. Governed by that general doctrine, it seems to me that there is no justification for the action proposed by the Finance Committee in this instance. We are dealing with an industry that is comparatively young in its development. It is in its infancy when compared or contrasted with other industries. It is a struggling industry.

It has already been pointed out that manganese is used for a number of different purposes. The Senator from Colorado has just suggested that it is a valuable ingredient in the manufacture of fertilizer, thus bringing it within the purview, indirectly if not directly, of those things having to do with advancing the cause of agriculture.

It was suggested yesterday by the able Senator from Nevada, and repeated with emphasis to-day by the brilliant Senator from Arizona, that it is an indispensable commodity for national-defense purposes. The principal use of manganese is in the manufacture of steel products, hardening iron ore, or sweetening pig iron.

Mr. President, when the tariff act of 1922 was passed it was thought that manganese ore bearing less than 30 per cent of metallic content could not be profitably mined and processed, and consequently the duty under that act was fixed at 1 cent per pound on ore bearing more than 30 per cent metallic content. Since 1922 science has made great strides of progress in this field, as well as in other fields. Through newly discovered processes, brought about by metallurgical advancement, it is now shown conclusively that manganese ore bearing much less than 30 per cent metallic content can be profitably developed.

The principal process thus discovered and brought into quite general use since 1922 is called the magnetic concentration process. As I understand the process, it is to put the ore upon a belt and draw it underneath a great magnetic block overhead, which draws from the ore the manganese content and thus separates it from the ore. That process was unknown in 1922. The flotation process is in quite general use also.

It is now known that domestic manganese ore, heretofore thought to be valueless, is of tremendous value and is susceptible of great development and great expansion. Deposits have been discovered in 34 States of the Union. Practically 250 deposits are now known to exist in these States, many of which heretofore thought to be barren of manganese deposits. It is now quite generally conceded that they are rich in this ore and are virgin in the development of it.

It can be developed profitably. It is being developed profitably through these newly devised methods of beneficiation. Wonderful potentialities are within this particular sphere of our economic and scientific growth and expansion.

It was pointed out by the Senator from Nevada yesterday that the duty proposed under his amendment, which I shall support, would increase the cost of a ton of steel approximately 24 cents, would add to the cost of an automobile about 15 cents, and that a comparable increase would manifest itself in the costs of other manufactured articles in which manganese is used.

As a result of these new processes, millions of dollars have been invested in many States. This was done upon the strength of the duty imposed under the act of 1922, but, despite that development, despite the progress so made by the industry, the Finance Committee, in line with its general policy of protecting the manufacturers of this country and disregarding the producers of raw materials, proposes not to decrease the duty on manganese but to remove it entirely and place the product on the free list.

In my judgment, that is manifestly unjust, it is manifestly unsound from an economic standpoint, and would work an affirmative injury to the development of the industry.

Mr. McKELLAR. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. BRATTON. I yield.

Mr. McKELLAR. It is claimed that the great steel corporations own manganese mines in foreign countries and that they get their supply in that way, so that it is to their very great interest to have manganese on the free list. Does the Senator's study show that to be the truth?

Mr. BRATTON. The statement has been made and has been denied. I do not know whether it is true. My personal belief is that it is true, and I think some of the opposition to a duty on manganese comes from that fact.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BRATTON. I yield to the Senator from Kentucky.

Mr. BARKLEY. Should not a question of this sort be decided upon its merits as an economic proposition and not purely upon a consideration of whether it will hurt or injure some particular company which may be interested in the purchase or in the manufacture of the commodity? It might be easy to work up prejudice against any action we might take on this article because it might benefit the United States Steel Corporation, against which some people have prejudice, but, as a matter of fact, regardless of the effect it may have on the Steel Corporation, should not this question be decided on its merits, independent of any steel company or anybody else interested in the use or in the development of the article?

Mr. BRATTON. Undoubtedly so, Mr. President; and I have not consciously advocated any other theory.

Mr. BARKLEY. I appreciate that; and knowing the Senator as I do, I would acquit him of any such motive; but the question propounded to him by the Senator from Tennessee might indicate that there are those who might allow that to be a determining factor in deciding what ought to be done.

Mr. McKELLAR. Oh, no, Mr. President; that was not the purpose of the question at all. I have no prejudice whatsoever against the Steel Corporation or any other steel company. There are steel companies operating in my State, and for the managers and the owners of them I have the most profound respect. But it seems to me, looking at it in a broad way, that where a duty would greatly help the manganese mines in the various States, and where the companies which use manganese, disregarding their own country's mines, are going out of the country to obtain this product because they can obtain it cheaper, all those facts should be considered in determining what we are to do about a duty on manganese or on any other product.

Mr. BARKLEY. Mr. President, if the Senator will yield further—

Mr. BRATTON. I yield further to the Senator from Kentucky.

Mr. BARKLEY. I am equally prompt in acquitting the Senator from Tennessee of any motive or purpose to vote one way or the other upon this proposition based on any prejudice against the Steel Corporation, but it is hardly fair to offer the suggestive criticism of the steel companies that have gone outside of the United States to obtain this article because they could get it cheaper. I think everybody will admit that up to the present time the domestic mines have been able to supply only about one-fifth or one-sixth of the American demand, and, without regard to price, the steel companies have been compelled to purchase imported manganese because the supply did not exist here, and up to this time has not existed.

Mr. PITTMAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Nevada?

Mr. BRATTON. I yield.

Mr. PITTMAN. It occurred to me that the supply never would increase in the United States under the circumstances. As I understand it, the Steel Corporation has a very cheap supply from foreign countries, a supply that is so cheap originally that they could take care of the price even below what they have nominally sold it for in the market.

Mr. BARKLEY. I do not want to get into a discussion at this time because I may do it later, but I would say to the Senator that the price of manganese in the United States since the imposition of the 1-cent tariff has ranged from 50 to 100 per cent above the world market, so the users of manganese such as has been produced in this country have been thereby compelled to pay a higher price than exists in the world market for the domestic product. There being such a small quantity of the domestic product as compared to the importations, it has not a very material effect on the price of the product that is imported.

Mr. PITTMAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Nevada?

Mr. BRATTON. I yield.

Mr. PITTMAN. There is no doubt that the domestic price has been higher than the world market because it is within the power of those who own the foreign deposits to charge whatever price they see fit.

Mr. BARKLEY. During the period over which the American price has exceeded the world price, the domestic product has decreased.

Mr. PITTMAN. Undoubtedly. It seems strange that the Senator from Kentucky can not understand how it happened. When there is a monopoly of the foreign market by the greatest users in this country of that product, it does not make any difference what nominal price they fix on it for themselves. It is only a matter of bookkeeping. They could charge themselves twice the price for it and it would mean just the same so far as they are personally concerned. It is not so much what the price is to-day that affects the starting of a new industry. It is the possibility of a reduction of that price the next day.

It is very difficult to induce capital to spend millions of dollars to start a new industry in the United States even if the price of the material is sufficient to justify them starting it, if capital knows that the power exists to cut that price down below what it could be manufactured or produced for in the United States. That is the difficulty of the situation. We know well enough that while it may be 68 or 65 cents to-day, the control of the product abroad would allow them to make it 30 cents if essential to prevent the industry from starting in this country.

Mr. BRATTON. Mr. President, I shall not detain the Senate much longer, but let me say this before I leave the suggestion made by the Senator from Kentucky to the effect that whether a duty should be raised or lowered or removed from a commodity should be confined to the economic conditions surrounding that particular commodity. I agree with the general statement. The Congress was called into extra session to enact a tariff law in aid of agriculture, meaning to minimize the disparity between the raw-material producers and those who produce manufactured commodities. Instead of doing that, the whole theory on which the bill has been constructed is to raise the duty upon manufactured commodities and to lower the duties upon raw materials, thus accomplishing the reverse of the announced purpose rather than fulfillment of the purpose itself. For instance, under the bill the duties on chrome, gypsum, and mica have been reduced. The duty on silica has been removed. Now it is proposed by the Finance Committee to put manganese on the free list and at the same time to raise the duties upon practically every manufactured commodity in which manganese is one of the essential ingredients. It is the theory upon which the Finance Committee has proceeded against which I register my protest. While conceding what the Senator from Kentucky has said to be sound, I assert that the bill has not been founded upon that theory.

Mr. BARKLEY. It has been claimed that the theory upon which the bill was founded is to be changed and that those who are now alleged to be in the majority on the floor of the Senate are charged with the duty of changing it.

Mr. BRATTON. I intend to lend my support to the undertaking. In doing that I intend to help as far as I can do so in disagreeing to what the committee has proposed here.

Mr. BARKLEY. So that the Senator, like the "Two Black Crows," would not like anything the committee did even if it was good?

Mr. BRATTON. Let me acquit the Senator from Kentucky and the other minority members of the Finance Committee. I protest against what the majority members of the committee have done. They have widened the disparity between agriculture and other industries.

Mr. McKELLAR. The Senator may further be answered by the "Black Crow" inquiry, "Why bring that up?"

Mr. BRATTON. I am not going to delay long, because I want to move on with the bill.

Mr. President, I hold in my hand a table showing the domestic production of high-grade ore from 1909 to 1928, both inclusive, expressed in long tons. I ask to have it printed in the RECORD without reading it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table is as follows:

DOMESTIC PRODUCTION
(Page 597)

The domestic production or output of high-grade ores from 1909 to 1928, both inclusive, expressed in long tons, has been as follows:

Year:	Long tons
1909	1,544
1910	2,258
1911	2,457
1912	1,664

Year:	Long tons
1913	4,048
1914	2,635
1918	305,899
1919	54,957
1920	94,420
1921	13,531
1922	13,404
1923	31,500
1924	56,515
1925	98,324
1926	46,253
1927	44,741
1928	45,000

The domestic production of ferruginous ores—that is, from 10 to 35 per cent metallic content—in 1927 was 134,000 long tons; of manganese ores—that is, bearing from 5 to 10 per cent metallic content—was 1,317,000 tons; and of zinc residuum, about 175,000 tons.

Mr. BRATTON. In that connection let me invite the attention of the Senate to the fact that the domestic production of ferro-manganese ores, containing from 10 to 35 per cent metallic content, in 1927 was 134 long tons; that bearing between 5 and 10 per cent of metallic content was 1,317,000 tons. The world production from 1923 to 1926, both inclusive, was 2,555,049 long tons. Of this quantity, India supplied 841,113 tons; Russia, 773,370 tons; the Gold Coast, 287,673 tons; Brazil, 242,957 tons.

Mr. President, I also have a table showing the quantities of manganese ore, expressed in long tons, imported during the years 1919 to 1928, both inclusive, the total value thereof in dollars and cents, and the duty collected. Without consuming the time to read it, I ask to have it printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table is as follows:

IMPORTATIONS
(Page 598)

The following tabulation will show the quantities of manganese ore, expressed in long tons, imported during the years 1919 to 1928, both inclusive, the total value thereof, the value per unit of quantity, and the duty collected:

Calendar year	Quantity	Value	Duty collected
	Long tons (gross weight)		
1919	333,933	\$11,261,021	
1920	606,937	12,230,922	
1921	401,354	3,365,732	
1922 (Jan. 1-Sept. 21)	327,537	2,682,915	
	Manganese content		
1922 (Sept. 22-Dec. 31)	18,124	364,247	\$405,978
1923	74,091	1,537,898	1,659,638
1924	213,430	4,957,917	4,780,832
1925	271,355	7,164,267	6,078,352
1926	291,230	9,388,150	6,523,552
1927	300,177	9,130,084	5,628,319
1928	268,176	6,767,219	6,007,142

Mr. BRATTON. Mr. President, in this connection I may say that there is no exportation of manganese ore except a few tons of chemical grade. That is exported to Canada. Otherwise we do not export manganese.

I present for the RECORD without reading certain data furnished by the Tariff Commission relating to the cost of the imported commodity; that is, metallurgical ore containing 50 per cent manganese per long ton, duty paid, under the rate fixed by the act of 1922 at the ports along the Atlantic coast from 1918 to 1928. I ask that it may be inserted in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table is as follows:

COST OF THE IMPORTED COMMODITY

According to data furnished by the Tariff Commission, the cost of the imported commodity—that is, metallurgical ore containing 50 per cent manganese per long ton, duty paid, under the rate fixed by the act of 1922 at the ports along the Atlantic coast from 1918 to 1928—was as follows:

Year:	Yearly average
1918	\$63.62
1919	33.06
1920	32.81
1921	14.04
1922 (commencing Sept. 22, 1922, the prices include the duty of \$11.20 per long ton)	15.82
1923	31.86
1924	31.45
1925	32.28
1926	32.80
1927	31.32
1928	30.03

Mr. BRATTON. Mr. President, among other States susceptible of development of manganese is New Mexico. It was thought when the tariff act of 1922 was enacted that we had little or no manganese in my State. Since that time it has been discovered that we have limitless quantities of it. Indeed, Mr. President, it has been asserted by those well versed in the industry that in my State alone we have sufficient manganese ore to meet the entire annual consumptive demand of the United States—that is to say, between 700,000 and 800,000 tons—for the next 25 years. I have no doubt of the truth of the statement; but the development will not be made, the industry will not advance, prosperity will not be enhanced, by placing the commodity on the free list.

I have here two letters from the Manganese Valley Mines Co., of Deming, N. Mex., addressed to me under date of February 7 and March 4, 1929, respectively; two from the Luna Manganese Co. of the same place, addressed to me on August 28 and September 3, 1929, respectively; and one from Mr. R. V. Kirchman, of Silver City, dated February 23, 1929. I ask to have them printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letters are as follows:

DEMING, N. MEX., February 7, 1929.

Senator SAM BRATTON,
Washington, D. C.

DEAR SENATOR BRATTON: I wish to call to your attention the attempt of the steel interests to decrease the tariff in regard to manganese and to also enlist your favor in regard to a proposed increase in the present tariff on imported manganese ores. I understand the United States Steel interests went before the Ways and Means Committee asking for a reduction on the tariff on manganese ores and an increase on imported steel products. This, to me, appears to be a very selfish proposition on their part, as also a very unjust one, and if anything, the profits made by the steel interests allow them to reduce their prices very considerably and still show a handsome profit.

During the last three to five years there has been a very large amount of money expended in the search for manganese ores in the United States also for the beneficiation of these ores. This has all been done under the impetus of the tariff and is now beginning to show some returns and a promise of placing the United States in a semi-independent way in case of any necessity arising during war times. The Tariff Commission has gone to a great expense in arriving at the facts of both the foreign and domestic production of manganese ores, as also in other governmental departments there has been quite an expense incurred in experimentation on these ores to place the United States in an independent position during war times. Should the tariff be lowered, all this would go for naught, as all domestic producers of manganese ores would have to close down.

In the State of New Mexico a very considerable amount of development is now being actively prosecuted for both the search and beneficiation of manganese ores with the result that within the last three years a production of about 2,500 tons of high-grade material is now being produced, whereas nothing was produced a few years ago, and we expect the State to double this production by the end of this year.

One of the claims of the steel people is that to encourage the production of manganese at this time depletes our present reserves. This is a very poor complaint, for unless the reserves are developed we certainly could not produce them quickly enough in an emergency. This was very fully proven during the last war period. Also, from present developments it is proven that the known manganese ores in the United States have increased by many times the amount that is annually taken out and is constantly increasing.

I also note the Ways and Means Committee have been asked to increase the present tariff by one-half of 1 cent per pound on the metallurgical manganese contained in the imported ores. This is on a par with both lead and zinc. If this raise in the tariff is granted, it would mean an additional cost to the consumer of steel of about 24 cents per ton, and so far we have been unable to learn of any steel consumer that has complained of this increase.

I shall be glad if you can give this matter some attention before it comes up in Congress, for I am sure that if you would look into the matter you will at least favor either a raise in the tariff or a continuation of the present rate of 1 cent per pound.

Yours very truly,

MANGANESE VALLEY MINES (INC.),
By R. H. WEST.

DEMING, N. MEX., March 4, 1929.

Senator SAM BRATTON,
Washington, D. C.

DEAR SENATOR: Again referring to the tariff on manganese.

It is quite evident that the steel interests of the United States are actively working for the lowering of the tariff on manganese, and I note in some of their statements they make their great plea on the fact that

the steel industry almost absolutely depends on the importation of manganese for their supply, and they state the United States can not supply as much as 10 per cent of their annual requirements. But I note that they fail to state that in the last six years a vast tonnage of manganese ores have been developed within the States, and also that the concentration of these ores to bring them to a suitable stage for the use in the manufacture of steel is just about completed. Also they make no mention of the fact that the United States has doubled its output of manganese ores during the last three or four years.

It looks very much as though the steel interests are trying to bankrupt the whole of the domestic manganese industry, and possibly with a view of then acquiring such properties as they see fit for practically nothing.

I would like to point out to you also that two of the largest users of manganese ores who are manufacturing dry cells have this year acquired their own domestic properties, placing them independent of anything that may come up in the future. These two firms, namely, the Electro Metallurgical Co. and the Manhattan Supply Co., use a large tonnage of chemical manganese ore for the manufacture of dry-cell batteries.

I note also that every other country that produces steel in quantity has already protected themselves in the supply of manganese and we are about the only country left who absolutely depend on foreign ore for the main ingredient, outside of iron, in the manufacture of steel. Whereas given the present protection, there is little question but what in a few more years this country will not need to depend so much on the foreign producers.

I quite realize that amongst your multitudinous duties, especially at this present time, you have not the opportunity to take up any one single question alone, and if there is anything that you would care to know in regard to this particular matter, I should be very glad to make every endeavor to enlighten you on whatever detail you might require, and also, I believe, there is in Washington a representative of the domestic manganese producers, who, I think, is there purposely for the convenience of the Senators, etc.

Thanking you for your interest in this matter, we are,

Yours very truly,

MANGANESE VALLEY MINES (INC.),
By R. H. WEST.

DEMING, N. MEX., August 28, 1929.

Hon. SAM BRATTON,
Albuquerque, N. Mex.

DEAR SENATOR: The writer attempted to see you personally yesterday in Albuquerque and regrets very much that you could not give an appointment.

We wish to call your attention to the proposed placing of manganese ore on the free list by the Senate Finance Committee. If this is done, it will ultimately ruin an industry in its infancy and which, after much difficulty, is on the threshold of coming into a substantial production. It will mean to Deming and Luna County the loss of a revenue of at least \$125,000 yearly in the way of wages and supplies purchased. It will mean to Silver City and vicinity a much greater loss.

First consideration is that of national security. Manganese has been named by the war board as the key war mineral in which we have a deficiency. It is well to call to mind the feverish hectic days of some 12 years back when the country was scourged for this mineral with pitiful results. We do not pretend to be endowed with high-grade ore deposits such as exist in other parts of the world. We do contend that we have enormous deposits of low grade ore which can be beneficiated and brought up to the desired grade, if properly and justly protected by a tariff. Enough has been already done in development and research to assure the Nation of a sufficiency in times of stress.

We believe that you would be doing a great service not only to the local situation and the State, but to the Nation as well if you would use your influence and vote to defeat the proposed placing of manganese ore on the free list.

We ask your consideration and may we be favored with a reply stating your position.

Very truly yours,

LUNA MANGANESE CO. (INC.),
By CARL F. SCHABER.

DEMING, N. MEX., September 3, 1929.

Hon. SAM G. BRATTON,
United States Senator, Washington, D. C.

DEAR SENATOR: As a domestic producer of manganese ore, we wish to protest the recommendation of the Senate Finance Committee of placing manganese ore on the free list.

It is well known that this recommendation was advised at the insistence of the steel interests. It is represented that the steel industry will pass on the benefit to the consumer in the form of lower prices if manganese is admitted duty free.

That the steel companies will effect a lower price because of duty-free manganese is far from certain. These companies are fair in their business methods but not absolutely philanthropic.

The manganese industry is on the point of coming into a substantial production. Much time, money, and effort have been expended in research on the beneficiation of low-grade ores. Enough has been already accomplished to assure the Nation a sufficiency of this key war mineral during an emergency. Removal of the tariff will soon kill this industry and destroy the chance of national security in regard to this vital war mineral.

We believe that you will be rendering a great service to the Nation by voting for the retention of tariff on manganese ore.

As we are vitally interested in the situation, any information you can give us will be appreciated and if you can conscientiously give us your attitude in the matter it would help considerably.

Respectfully yours,

LUNA MANGANESE CO. (INC.),
By CARL F. SCHAEFER.

SILVER CITY, N. MEX., February 23, 1929.

Senator SAM G. BRATTON,
Washington, D. C.

Hon. Senator BRATTON: The industrial growth of any community is based on the integrated selfishness of the individuals of which it is composed.

This selfishness is the motive force which puts into effect creative ideas. This letter is presented with the object of informing you of certain conditions that exist and are wrapped up with the industrial welfare of this community and the State in general.

At the present time there is an agitation before Congress to remove the tariff protection on manganese. You are no doubt informed as to the general condition of the present manganese industry in these United States. There are facts with regard to this community which it is our intention to present for your consideration. There exists at Silver City, Grant County, N. Mex., an immense body of low-grade manganese iron ore. The industry of mining this ore had received considerable impetus due to the emergency that existed due to the late World War. Some 250,000 gross tons of manganese iron ore have been produced from 1916 to the first of this year.

At the present time there are employed on the Silver Spot Mines property 125 men producing this manganese ore at an approximate rate of 9,000 gross tons per month, or about 100,000 gross tons yearly. The new wealth created by this effort is measured by the sum of \$50,000 per month in raw materials. This first wealth is distributed first-hand to the local community and railroad and secondly to the State in the form of taxes. It is quite possible that the progress of science will enable the beneficiation of these ores to such an extent that their production will be greatly increased, with the attendant upbuilding of this community. A decision on your part to uphold and protect this industry will not be detrimental to the interests of our State nor of the United States in general. A small tax represented by this tariff would amount to about 15 cents per ton of steel produced. Certainly this is a small price to pay for the insurance for the production of this metal, that contributes so much to the element of national security.

You are informed that it is my personal opinion that there is a possible tonnage of 10,000,000 gross tons in this deposit. The continued importance of this industry to the State and the community is analogous to any other infant industry that contributes to the welfare of this State.

It is true that the per cent of manganese (10 per cent) would be admitted duty free. However, a duty imposed upon foreign manganese would tend to prevent the exclusion of this class of ore and insure a growth of this industry in this vicinity. There is another consideration of which you are no doubt aware; that is, the national security given to our country in time of a crisis of war. Mines are not a matter of instantaneous development, but a slow growth under the direction of creative minds in cooperation with capital for the upbuilding of an industry.

It is felt that sufficient matter has been presented which will enable you to grasp the importance of affording the protection to this industry, which means so much to the Nation, this State, and the community in general.

Very truly yours,

R. I. KIRCHMAN.

Mr. BRATTON. In the same connection I have lifted certain pages from the printed proceedings of the Second Annual Convention of the American Manganese Producers' Association, held in the city of Washington September 9 and 10 of this year. These have direct relation to the development in New Mexico. I ask that they may be inserted in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

The CHAIRMAN. We would like to hear from Mr. Goodier, representing New Mexico and Colorado. Mr. G. P. Goodier, president of the New Mexico Copper & Manganese Corporation, with headquarters at Denver, Colo.

NEW MEXICO AND COLORADO

Mr. GOODIER. In 1896 several of the operators in Leadville, Colo., of which I was one, opened up a very large deposit of manganese iron ore. At that time I was shipping a carload a day to the Globe Smelter at Denver, Colo., for fluxing purposes, this ore having a limited amount of silver to enable us to get by. One of the operators tried to broaden the market to Chicago, but the freight interfered with its being used there. The strike came, and we all left the territory for the time being. During the war we were brought back, and for a year's time our production ran from 100 to 200 tons a day. There were other operations there, I should say, totaling in the neighborhood of a 1,000 tons a day production.

Following that, in 1920, when the business dropped off, I left there again. In 1921 I went into Silver City, N. Mex., and have been producing since then at the rate of an average of over 50,000 tons per year, the grade there averaging from 13 to 15 per cent manganese and from 35 to 38 per cent iron, a total of about 50 per cent metallic content, the balance being lime. Our shipments have averaged 52 per cent.

This latter property is about 1 mile across the center in any direction you might go. The oxidized ore is known to exist to a depth of over 480 feet and the quantity is such as to warrant a production of 1,500 to 2,000 tons per day if it is desired and the market can be found for it. Of course, the freight rate enters into the business there quite extensively, as we have only one market. That is sufficient to show the quantity that can be produced in that territory.

Going back to Leadville, following the war, one of the Government engineers examined the property that I had in connection with the war minerals relief, and his report was that it was the largest deposit of manganese that he had seen. The thickness was over 60 feet, a third of it running better than 30 per cent, another third running in the neighborhood of from 22 to 24 per cent manganese, and the balance running from 28 to 30 and 32 per cent iron.

Aside from the Leadville district there is a deposit in a fissure at Villa Grove, Colo., or in the neighborhood of the Bonanza district, 18 inches of which ran about 45 to 50 per cent; the balance, about 12 to 15 feet in width, of the vein running in the neighborhood of 30 per cent manganese.

A few years ago the Colorado Fuel & Iron people, being anxious for manganese and not having it available at that time, went into Redcliff, Colo., and from that deposit they produced, in three years' time, 240,000 tons.

There is another deposit which has not been opened up to any large extent, in the Gunnison district, but which has the promise of a substantial tonnage when sufficient money has been used in connection with its development, of a grade running about 50 per cent or better.

I mention these different deposits so that you will know that in the States of Colorado and New Mexico, if we have a protective tariff, a reduction in the freight rate, and possibly the installation of concentration, there will be no difficulty from these two States alone providing sufficient ore to take care of the needs of the United States Steel Corporation, and the other corporations using it, for a good many years to come. In fact, on the Silver City property I recently informed the Colorado Fuel & Iron Co., the vice president and general manager being Mr. Weitzell, that I would take care of their needs for 50 years if they wanted it, and longer if he and I both lived.

There is another deposit in New Mexico, in the vicinity of Deming, of which Mr. Spencer, who is here, I believe, can speak. It is a higher grade. They are now marketing in the East.

I have a message from Mr. Sturtevant, president of the Manganese Mines Co. of America, Denver, Colo., which I should like to read into the record at this time:

SEPTEMBER 7, 1929.

AMERICAN MANGANESE PRODUCERS' ASSOCIATION,
Mayflower Hotel, Washington, D. C.

GREETINGS: Your highly efficient organization under the capable direction of your president, Mr. J. Carson Adkerson, is to be commended upon the way in which public opinion has been aroused against the interests who are persistent in their demands for the removal of the tariff on manganese.

Our Paymaster mine in Gunnison County, Colo., consists of 10 claims, 8 of which lie end to end, covering a vein of manganese ore which is exposed by outcrops and workings for over 2 miles.

The property has the distinction of carrying an abundance of both metallurgical and chemical grades. The dioxide ores average in analysis from 85 per cent MnO₂ to 88 per cent MnO₂ and carrying a minimum per cent of the obnoxious elements.

Our development program having been carried on during the past two years has established the fact definitely that the deposit can not only produce large quantities of the dioxide ore but many thousands of tons of low-grade ore are available for treatment.

The company is assured of sufficient funds with which to carry on an intensive development program and to construct a plant capable of handling 600 tons per day of the lower-grade ores, providing the 1½ cents per pound duty is established on all imports having a manganese content above 10 per cent.

Aside from our deposit, there are known deposits of manganese in Chaffee, Saguache, Lake, and other counties, the development of which is awaiting the outcome of the tariff matter.

Assuring you of our future cooperation in this big fight, we are,
Very sincerely,

THE MANGANESE MINES CO. OF AMERICA,
S. B. STURTEVANT, *Vice President.*

Attest:

F. B. HUNGERFORD, *Secretary.*

The CHAIRMAN. While on New Mexico, may we have a few words from Mr. W. R. Spencer, president of the Luna Manganese Co.?

Mr. SPENCER. I have associated with me two gentlemen who are practical miners, Mr. G. M. North, jr., a graduate of the Michigan School of Mines, and Mr. Carl F. Schaber, also a graduate of the Michigan School of Mines, formerly with the Steel Corporation, prospecting for them in Mexico and southwest and is now in charge of our property near Deming, N. Mex. He was in charge of the Steel Corporation properties in the Southwest and in Mexico for a number of years, so I feel that I am in good hands.

We have a property down there that has high-grade manganese, and I believe is probably one of the most unique deposits in the country, so far as known. In May, 1926, the deposit was opened by capital from Jackson, Mich., after an exhaustive study of the geological formation had been made, coupled with test pits and the workings of a property operated by a Mr. West on same strike and approximately 6,000 feet south of our shaft.

The property is located in Luna County, N. Mex., 17 miles south and east of Deming and approximately 5 miles from loading station on the Southern Pacific Railroad. The mine is reached by a slowly ascending grade from the railroad siding. The mine has a contract to haul ore from mine to railroad at \$1 per ton loaded in cars. This property is located at the base of the Little Florida Mountains and ore deposit occurs in fracture extending for several miles in a north and south direction. The fracture varies in thickness from 5 to 22 feet, and in exploring approximately 2,400 feet, by drifting, the continuity of ore has proven to be about 80 per cent. The main shaft has been sunk to a depth of 550 feet and ore has continued from surface to shaft bottom. The sinking has been stopped due to water coming in, which incidentally is of sufficient volume to furnish water for mill. At the present time pump is being installed to take care of water and sinking is stopped for present.

During the course of exploring and preparing for stopes we have hoisted to stock pile an estimated tonnage of 80,000 tons. Underground tonnage definitely blocked out has been carefully estimated at 320,000 tons. In order to allow economy and speed in the hoisting of ore we have raised a vertical hoisting shaft to the fourth level and shortly will raise shaft from fifth to fourth level.

A concentrating mill has been erected and first unit will be in operation in 10 days. This unit is provided with Blake type crusher capable of crushing with assistance of rolls 600 tons per day. A large Bull jig with a capacity of 600 tons a day for primary classification is installed and 8 Hartz jigs are in place for first unit and 16 more on the location for units to follow. It is planned to use two Wifley tables for each unit to recover fines from crushing and four more tables are on ground for future units. From tests made on mill concentration the majority of shipping ore will not be less than five-eighths inch, and a large proportion will be in chunks weighing about 40 pounds each. On the basis of 100 tons per day we have already blocked out sufficient ore to last five years with no further exploration. It is planned to install additional units as fast as possible. The mill, mine, and houses on location will be electrically lighted, and all equipment motor driven from a Diesel engine which is now being set up and will be completed by the time this report is read.

We feel that we have a very high grade of manganese. We are located on the same strike along the range as Mr. West. We feel that in that district there should be from 500,000 to 2,000,000 tons of high-grade ore.

The CHAIRMAN. For our next speaker I would like to call on one of the members of a committee of five who, in 1927, formed themselves into a protective committee from which this manganese association sprang. I refer to Dr. J. S. Grasty.

Doctor GRASTY. I have been taking some notes on tonnages, based on the data previously submitted, and I wish to summarize these figures, because I think it worth while, besides being interesting to have it altogether in a few words.

I find that Arkansas, as reported by Mr. Miller, and the deposits reported by Mr. Lake and Mr. Leute total some 350,000,000 tons of ore, which, taking the lowest grade, would supply this country with high-grade ore, on the basis of a concentrating ratio of 5 to 1, for 70 years. Butte, as I understand it from the discussion last year, has from 3,000,000 to 6,000,000 tons of 30 per cent manganese ore or better. I would like to know if that is correct.

The CHAIRMAN. I think that is correct.

Doctor GRASTY. Phillipsburg, as I judge from the remarks of the gentleman who spoke with regard to that district, has a tonnage of

definitely proved ore of 1,500,000 tons, of about the same grade. Would that be correct?

Mr. BROWN. Correct.

Doctor GRASTY. According to the gentleman reporting on Georgia, there are over 4,000,000 tons on his property alone—the Hurt property—which can produce at the rate of 150,000 tons per annum for 30 years, or a total on this one property of 4,500,000 tons.

As to New Mexico, Mr. Goodier did not go into detail there as to the tonnage or the grade of the ore. He reported on 320,000 tons blocked out on one property. I have Mr. Spencer's figures.

President ADKERSON. We have a letter in the office of the association from New Mexico, from an authoritative source, which says that they have 10,000,000 tons in New Mexico, which would average about 10 per cent metallic manganese.

Mr. SPENCER. I would say that in our mill operation we figure our concentrates from 80 to 90 per cent manganese dioxide. We have done some prospecting in our vicinity, and there is considerable chemical manganese as well as metallurgical ore. I imagine there is a great deal of manganese in New Mexico yet to be discovered; in fact, the vast part of it is still unexplored.

Doctor GRASTY. Mr. Spencer stated, I believe, that they had blocked out on their property one and one-half to two million tons.

Mr. SPENCER. We have estimated that in that district, including Mr. West's operations, there should be at least one and one-half to two million tons of high-grade ore. We figure that our concentrates will run at least from 80 to 90 per cent by jigs and tables.

Doctor GRASTY. Considering the different prospects in Virginia approximately 300 in all which have only been explored, in a very few instances, we can add about 25 years' supply from Virginia. So altogether in the United States, with only a small fraction of the deposits taken into consideration, we have over 100 years' supply of manganese ore, expressed as high grade after beneficiation and suitable for use by the steel industry.

Mr. BRATTON. Mr. President, I ask that certain press dispatches appearing in the New York World of August 15 and August 16, 1929, respectively, may be printed as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The articles referred to are as follows:

[From the New York World, Thursday, August 15, 1929]

STEEL MAKERS GET FREE MANGANESE—SENATE COMMITTEE REMOVES 1 CENT PER POUND DUTY ON HEELS OF SOVIET SALE—LEAGUE OF NATIONS TO TRY TO HELP SUGAR SITUATION

By Elliott Thurston

WASHINGTON, August 14.—What used to be known as the Steel Trust won a big victory on the tariff to-day by a vote of 6 to 5. Senator REED, Republican, of Pennsylvania, ex-counsel for the United States Steel Corporation, and other Republican high protectionists, put manganese, important ore used in steel making, on the free list where the steel makers want it.

The House had allowed a duty of 1 cent a pound to stand. The Senate Finance Committee first accepted this rate, even broadening it out to apply to ore of low content. The vote had been 7 to 4, but something happened meanwhile. Last Monday Moscow announced that the United States Steel Corporation had signed a contract with the Georgian Manganese Trust of the Soviet Union to buy 80,000 to 150,000 tons of manganese annually for five years.

To-day the Senate committee, still meeting in secret session, reconsidered, and as a result the steel makers will not have to pay duty on the imports from Russia.

BLOW TO WESTERNERS

It was a blow to the manganese miners of the United States who have descended upon the committee armed with reams of statistics, to prove that if protected from the "cheap overseas competition," which is the magic phrase in getting duties, they could mine and produce sufficient manganese in the Western States to supply all the steel mills in the Nation.

The steel industry uses 649,136 tons of manganese ore a year. In 1929 American mines, mostly in Montana, produced 140,000 tons with the aid of the 1-cent duty. The Treasury by reason of the duty collected \$8,064,155 of revenue which will now be sacrificed by the return of the ore to the free list.

It is estimated that the triumph for the steel interests amounts to no insignificant sum in dollars. On the Steel Corporation contract alone it will save between \$5,000,000 and \$6,000,000 during the life of the contract. The Steel Corporation also imports manganese from Austria and Brazil.

SENATOR SMOOT ANGRY

Senator SMOOT (Republican, Utah), chairman of the Finance Committee, seemed to be incensed over the manganese episode. Although a high protectionist, especially on sugar, the Utah Senator has been clashing with REED and other colleagues. With what was taken to be irony, the

Senator from Utah observed after to-day's committee session that United States Steel had only gained a hundred millions in market value of its shares after the first slump from the raised discount rate.

The committee also reduced from 1.7 cents to 0.65 cent a pound on ferromanganese, manganese metal, and silicon.

Then tackling items of the sundries schedule the committee approved the House rates on human hair, gold and platinum jewelry, laces, corsets, and a variety of allied articles of feminine underwear, also on catgut and sponges. It put fishing tackle under the existing duty, while coming to hats trimmed with beaver or rabbit or other furs it cut the House rate from \$1.50 to \$1.25 on hats of not more than \$6 a dozen. The rate on such hats of not more than \$9 a dozen value was cut from \$3 to \$2.50.

BILL FACES DELAY

Mr. SMOOT is still hopeful that the tariff bill will be ready by Monday, but so much remains to be done on it, including the battle royal over sugar, that most predictions are for a delay, and the general opinion is that it will be impossible to enact it in the special session.

The committee's retention of the 10 per cent on shoes came in for assault to-day by Senator THOMAS (Democrat, Oklahoma), who as spokesman for the main cattle-raising country, declared the net effect will be to do the cattlemen more harm than good, while the shoe manufacturers and the tanners will be the only beneficiaries. "The duty on hides should be eliminated," he said, "and leather and shoes kept on the free list."

[From the New York World, Friday, August 16, 1929]

HOOVER IS ACCUSED OF KILLING TARIFF ON MANGANESE ORE—BINGHAM ASSERTS G. O. P. COMMITTEE CANCELED DUTY ON ADVICE OF WHITE HOUSE—CHANGED AFTER UNITED STATES STEEL SIGNED SOVIET CONTRACT—COMMERCE DEPARTMENT'S REPORT OF BIG JULY BUSINESS DOESN'T CHEER PROTECTIONISTS

WASHINGTON, August 15.—Responsibility for the action of the Senate Finance Committee in placing manganese ore on the free list, thereby reversing the committee's previous action and granting a saving of \$8,000,000 a year to the steel manufacturers, was laid on the White House doorstep to-day by Senator HIRAM BINGHAM (Republican, Connecticut), a member of the committee.

In a secret session of Republican Finance Committee members a few weeks ago BINGHAM voted for a duty of 1 cent a pound on ore containing 10 per cent or more of metallic manganese. Yesterday he was one of the two members of the committee who reversed their previous votes and put manganese on the free list. When asked why he changed, he said the White House advised it.

THIRTY STATES PRODUCE IT

The committee's reversal, coming within 48 hours after announcement that the United States Steel Corporation has closed a deal for the purchase of huge amounts of manganese from Soviet Russia, was a subject of absorbing interest in circles interested in tariff revision.

Tariff seekers grew nervous to-day when the story went around that President Hoover had just received and was much impressed by advance figures from the Department of Commerce showing that business during July was better and at higher levels generally than in any previous July in the history of the country.

It at once aroused discussion over the possibility that the White House, in the face of such a showing, would find it inconsistent to countenance a tariff bill that rests on the assumption that suffering industry needs more protection in order to live. Only a few days ago the Democratic National Committee cited the Commerce Department's Yearbook record of prosperity as out of tune with the tariff revision.

FEAR EFFECT ON ELECTION

The tariff seekers also are worried by the growing conviction that the bill not only will go over into the regular session in December, but that it will become so entangled with appropriations and other business as to delay it far into the spring. And then will come the question of whether the bill's sponsors will dare pass it on the eve of congressional elections. To do so would defy tradition, and, in the judgment of some of the Republican leaders, invite a political setback at the polls that might cost the Republicans their control of the House, let alone the Senate.

There are indications that manganese may become one of the main issues in the ensuing battle over the Hawley-Smoot bill, since this ore is produced in 30 States. Thirty States mean 60 Senators, or nearly two-thirds of the Senate, while the opposition to a protective duty on manganese centers in Pennsylvania and one or two other States where the large steel companies are powerful.

The steel companies want free manganese because a duty on this commodity adds to the production costs of manufactured articles upon which they are given protection duties.

Manganese producers to-day were mobilizing their forces for the fight to restore the present duty of 1 cent a pound on ore containing 30 per cent or more of metallic manganese. This is the present duty and the one accepted by the House, but increased, in effect, by the Senate Finance Committee before its recent reversal of action.

Senator WHEELER (Democrat, Montana), coming from one of the States producing large quantities of manganese ore, declared to-day:

"The action of the Finance Committee in putting manganese on the free list at the instance of the United States and the Bethlehem Steel Corporations, clearly indicates that the tariff bill is to be written in the interests of the manufacturers of the East rather than the producers of raw materials in the Middle West and West.

TARIFF AIDS MINERS

"There are huge deposits of manganese in South Dakota, Montana, and many other States. The industry has developed a process whereby it can take low-grade manganese ore and develop it into a high-grade finished product. The miners of the West would be benefited by a tariff on manganese, but the steel interests, who have made a deal with Russia to ship in manganese ore in bottoms, want this product to be on the free list and at the same time want their own products on the protected list.

"This talk about conserving our natural resources, particularly when applied to manganese, is pure and unadulterated bunk, and the vote of the Senate Finance Committee reversing itself in the matter shows how completely the steel interests and other tariff barons dominate the Republican Party.

"They talk about building up new industries in this country; if they would give the manganese industry a tariff to protect against Russian manganese they could build up a new industry, and one that would be in a position to furnish us all the manganese necessary in time of war. To put it on the free list means that many communities where manganese is being produced will be ruined and it also means that there will be no incentive on the part of the producers of low-grade manganese to further develop their processes so that low-grade manganese can be utilized."

TEN SCHEDULES REVISED

Passing over the controversial sugar schedule, Republican members of the Finance Committee, in their secret session to-day, completed their final revision of 10 of the 15 rate schedules in the Hawley-Smoot bill. No items in these 10 schedules will be considered again before the bill is reported to the Senate, Chairman SMOOT said.

[From the New York World, Tuesday, August 13, 1929]

UNITED STATES STEEL CLOSES BIG DEAL FOR SOVIET MANGANESE ORE—\$2,500,000 YEARLY INVOLVED—DEPOSITS, BEST IN THE WORLD, WERE CONFISCATED FROM GERMANS

The United States Steel Corporation has arranged a huge purchase of manganese ore from the Georgian Manganese Trust.

This was revealed yesterday in Moscow, and the negotiations were confirmed by one of the highest officials of the United States Steel Corporation. According to reports the Steel Corporation intends to buy from 80,000 to 150,000 tons of manganese annually during the next five years.

At the nominal price of \$15 a long ton for manganese ore this would represent as much as \$2,250,000 a year to be paid to the Soviet Government, holders of the concession, before freight and customs duty.

RUSSIAN DEPOSITS ARE BEST

Manganese is used in the manufacture of steel, and the Steel Corporation obtains the bulk of its requirements from its own mines in Brazil. There are also mines in India and undeveloped deposits in South Africa.

According to authorities in the metal trade the Russian deposits are the purest in the world, containing from 53 to 55 per cent of the metal, while the Brazilian product is only about 47 per cent pure.

Asked if there were any special significance in the negotiations with the Soviet authorities, a leading official of the Steel Corporation said:

"The corporation is always in the market for manganese. When we see an opportunity to buy a needed commodity at a lower price than in other markets we buy it, regardless of the identity of the vender, and it is likely that other American steel companies would purchase their manganese requirements in the same market if the proper price were offered."

FORMERLY GERMAN OWNED

At the Steel Corporation it was stated that very little, if any, other products have been purchased from Soviet Russia since the revolution and the confiscation of foreign properties.

The United States Steel Corporation has found a good customer in the Amtorg Trading Co., purchasing agent for Soviet Russia, according to a spokesman for that organization. A large volume of steel products has been bought from the Steel Corporation for shipment to Soviet Russia during the last few months, according to the Amtorg Trading Co.

The manganese mines in Soviet Georgia, in Asiatic Russia, were owned by German interests before the revolution. They were confiscated by the Government, and after the war were leased to the W. A. Harriman interests of New York.

The Harriman interests found it difficult to carry out all the provisions of the lease and were released from the contract two years ago.

After that the mines reverted to Russian ownership and are being administered by the Georgian Manganese Trust, a semi-official organization.

[From the Washington Post, Sunday, August 18, 1929]

BUYING RUSSIAN ORE TO BE INVESTIGATED—RELATIONS BETWEEN AMERICAN STEEL PLANTS AND SOVIETS BOUSES SENATORS—IMPORT IS ON FREE LIST

A senatorial investigation of the relationship between American steel companies and the Soviet Government may result from the action of the Senate Finance Committee removing the tariff on manganese ore at the behest of domestic steel manufacturers. The proposed investigation, if undertaken, will proceed on the theory that there is evidence tending to show an indirect dumping of foreign manganese on the American market for the benefit of the steel companies and to the detriment of the domestic producers.

Interest in the proposed investigation was enhanced yesterday when it became known that the company, which is the American sales agent for Georgian (Russia) manganese, controlled by the Soviet Government, is headed by the son of a prominent official of the Bethlehem Steel Co. It is this Georgian deposit of manganese, which, according to advices from Moscow, was involved in the recent deal whereby the United States Steel Corporation agreed to purchase from 80,000 to 150,000 tons annually for the next five years.

Immediately after news of the United States Steel Corporation contract reached Washington, Republican members of the Finance Committee reversed their previous action granting a duty of 1 cent per pound on manganese ore containing 10 per cent or more of metallic manganese, and placed that commodity on the free list.

Leonard J. Buck (Inc.), 74 Trinity Place, New York, is the American sales agent for the Georgian manganese deposit, which is owned by the Soviet Government. The president of this company is Leonard J. Buck, who is the son of C. A. Buck, vice president in charge of raw materials of the Bethlehem Steel Co.

Senators interested in the manganese situation, which means at least 60 Senators, since there are manganese deposits in more than 30 States, are curious as to the reasons why the United States Steel Corporation, which has large manganese deposits of its own in Brazil, was allowed to "cut in" on the Georgian deposits, for which the sales agent is the son of an official of a rival company. The same Senators are also anxious to find out what pressure was brought to bear on the majority members of the Finance Committee to induce them to change their attitude as soon as the United States Steel Corporation's deal had been consummated in Russia.

[From the New York World, Sunday, August 18, 1929]

MANGANESE DEALS STRIKE SENATE QUIZ—STEEL MEN MAY HAVE TO EXPLAIN CONTRACTS WITH SOVIET—DUTY SUDDENLY LIFTED—AGENT FOR RUSSIAN PRODUCT SON OF BETHLEHEM OFFICIAL

WASHINGTON, August 17.—A sensational investigation of the relationships between American steel companies and the Soviet Government may result from the action of the Senate Finance Committee removing the tariff on manganese ore at the behest of domestic steel manufacturers.

The proposed investigation, if undertaken, would proceed on the theory that there is evidence tending to show an indirect dumping of foreign manganese on the American market for the benefit of the steel companies and to the detriment of the domestic producers.

Interest in the proposed investigation was enhanced to-day when it became known that the company which is the American sales agent for Georgian (Russia) manganese, controlled by the Soviet Government, is headed by the son of a prominent official of the Bethlehem Steel Co. It is this Georgian deposit of manganese which, according to advices from Moscow, was involved in the recent deal whereby the United States Steel Corporation agreed to purchase from 80,000 to 150,000 tons annually for the next five years.

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Leonard J. Buck (Inc.), No. 74 Trinity Place, New York, is the American sales agent for the Georgian manganese deposit, which is owned by the Soviet Government. The president of this company is Leonard J. Buck, son of C. A. Buck, vice president in charge of raw materials of the Bethlehem Steel Co. The World has in its possession a photostatic copy of a letter dated March, 1929, and written on the letter head of Leonard J. Buck (Inc.), which reads:

"It is our pleasure to announce that we are the sales agent for the soviet producers of the well-known Georgian (Caucasiana) manganese dioxide.

"Maintenance of large stocks of manganese dioxide in America enables us to supply any mesh you may desire and packed to meet with your requirements.

"If you are interested in manganese dioxide, we should appreciate receiving your requirements per year, together with your desired mesh at which time we shall be pleased to quote you our price."

The letter was signed "M. W. Koch, secretary," and was addressed to a New York firm which uses manganese dioxide.

CURIOSITY IS AROUSED

Senators interested in the manganese situation, which means at least 60, since there are manganese deposits in more than 30 States, are curious as to the reasons why the United States Steel Corporation, which has large manganese deposits of its own in Brazil, was allowed to cut in on the Georgian deposits, for which the sales agent is the son of an official of a rival company. The same Senators also are anxious to find out, if possible, what pressure was brought to bear on the majority members of the Finance Committee to induce them to change their attitude as soon as the United States Steel Corporation's deal had been consummated in Russia.

C. A. Buck, representing the Bethlehem Co., appeared before the House Ways and Means Committee and filed a brief asking that manganese be placed on the free list. He did not appear before the Senate Finance Committee, where witnesses were required to testify under oath. The United States Steel Corporation likewise was not represented directly during the Senate committee hearings.

During the Senate hearings, however, it was asserted by J. Carson Adkerson, representing the American Manganese Producers' Association, that American steel companies refuse to purchase American manganese even to the extent of paying 8 cents per unit more for the foreign commodity than the price at which they could obtain American manganese. A unit is 22.4 pounds.

PAYING HIGHER PRICE

"According to the figures as given by the Tariff Commission under manganese ore as to the price the steel people have paid for foreign manganese during the 5-year period ending December 31, 1928," Mr. Adkerson said, "the steel makers of this country paid on an average of 68 cents a unit for foreign ores. During the same period there is not one instance that we know of where domestic operators producing high-grade ore and ore running even higher grade than the best foreign ore have received a price greater than 60 cents per unit. There is a differential of 8 cents per unit against domestic products and in favor of foreign products, which, of course, has held back domestic production."

Seeking to throw light upon this situation which, he admitted, is perplexing to domestic producers of manganese, Mr. Adkerson said the Soviet Government "is striving to barter manganese for other materials and manufactures sorely needed in that country," and that "the facts are clear that the sale of these ores is pushed for the purpose of establishing dollar credits rather than for the purpose of making a profit on the ore mined."

The effect of American steel companies' ventures into foreign manganese fields, according to Mr. Adkerson, are "the affiliations of the Bethlehem Steel Co., or its officials, with the Soviet Government Mining Trust have effectively closed to American miners, roughly, one-third of their total potential market. The United States Steel Corporation has millions of dollars invested in a manganese venture in Brazil. This condition naturally eliminates from consideration by domestic miners a second third of the potential sales possibilities."

Mr. BRATTON. Without taking more time of the Senate, this is an industry that is young in years, it is vast in possibilities, and is struggling for its economic existence. These facts, in connection with the added consideration that new processes are being devised and new methods employed resulting in great expansion and almost unparalleled development, cause me to believe that it would be economically unsound and fallacious to take this commodity from the dutiable list and place it upon the free list. I am utterly unable to understand how the majority members of the Finance Committee, who profess to believe in the doctrine of protection, can justify their act except that it be in harmony with their general policy to enrich further the manufacturing regions of the country and increasingly impoverish the raw material producing parts of the country. With that theory I am not in accord. For that reason I shall support the amendment of the Senator from Nevada [Mr. ODDIE].

Mr. FESS. Mr. President, the item now before the Senate affords one of the best examples we have yet had of inconsistency on the part of some of those who are considering the pending tariff legislation. As strong an argument for the protection and building up of an infant industry as could be made has been made in the case of manganese by those who have almost uniformly heretofore opposed protection except when necessary for development of industries in their particular sections of the country.

The question of a duty on manganese has been discussed in all tariff legislation from 1897 down to this time. Consistently

it has been urged on the part of representatives of certain sections of the country that manganese should be placed on the dutiable list. The argument has been along the line of protection. If we could produce manganese of the quality required by our industries, I would not at all hesitate to vote but would very speedily vote for any adequate protection which might accomplish that result. However, it was so convincingly represented by the best thought of the country, especially that having to do with mining, back in the nineties that that could not be done, that the urgent appeals for protection were rejected. They were also rejected in 1909 in the consideration of the Payne-Aldrich bill. Likewise in 1913 there was a tremendous effort put forth to place manganese on the dutiable list. At that time I made some investigation of the subject and resisted that effort both by my vote and by my voice in the other House. In 1922, when the subject of the protection of manganese again came under discussion, while I voted against such protection I recognized that there had been rather a strong presentation made upon the theory that if manganese were protected we could produce that commodity in sufficient commercial quantities.

I desire frankly to state that on yesterday the argument of the Senator from Nevada [Mr. ODDIE] was as strong a protective argument as I have heard, and if the facts that he alleged were true I should not hesitate a moment to vote for any adequate protection necessary to build up the manganese industry; but when we go into the question as to whether we can produce what is needed by domestic industry, I have not as yet heard any conclusive argument or even any persuasive argument that we can do so. The very best geological information that we can possibly get—and it is official—is adverse to the possibility of our producing manganese in adequate commercial quantities. I think we can take the opinion of the head of the Geological Survey on this subject. There is not any opinion on it that I would be more willing to accept than that of Doctor Smith, and I might say the same about those who are in charge of the Bureau of Mines.

Some time ago I read an article written by Josiah Edward Spurr, who is the editor of the leading mining journal of the United States and who is an authority on the mining question. In his discussion of the question of our ability to produce some of the elements that we are now not producing in commercial quantities, he writes in *Foreign Affairs*, an American quarterly review, of July, 1926, on the subject of Steel-Making Materials. This article can certainly not be regarded in any light as being a partial statement, but it is the statement of a man whose judgment we should take the same as we take that of Doctor Smith. In this article he says:

Manganese is a fairly common and widespread metal, yet it occurs, in large and commercial amounts, chiefly in certain very definitely restricted parts of the world. For the last quarter of a century India and Russia have been the chief sources of the supply, with a considerable production from Brazil, and a very moderate production from all the rest of the world. A new source of large supply, not yet thoroughly tested, is said to be the Gold Coast of Africa.

Then he proceeds to point out the negligible production of our own country. Further on he states:

There remains to be considered how much high-price and imperative demand may be able to offset natural poverty in a metal like manganese, in countries where nature has bestowed it sparsely. There are multitudinous, usually small, deposits of high-grade manganese ore in the United States, and during the World War, due to the stimulus of Government demand and high prices, an intensive production was obtained. The absolute price of manganese ore rose in 1918 to nearly six times the pre-war price of 1913, while the relative price, based on comparison with the general commodity price index, exactly doubled in this period.

That statement is verified by the report of the manganese committee, Mining and Metallurgical Society of America, and American Institute of Mining and Metallurgical Engineers in 1925, the year before this article was written.

With such urgent demand, the United States, which previously had produced less than 1 per cent of its total high-grade manganese consumption, produced in 1918, at the war's close, nearly 24 per cent of the high-grade manganese ore consumed. But experience showed that this was a killing pace, which would have been impossible to keep up, and perhaps impossible to repeat. The manganese committee, appointed by the two chief organizations of the American Mining Engineers, found that at least one-third of the manganese thus produced was at a financial loss. This committee is of the opinion that a further increase of 50 per cent over the war prices would be needed if important emergency tonnages of manganese should again be required. Any such stimulation, moreover, would be of temporary effect, similar to the injection of strong drugs into a dying man.

I want especially the Members of the Senate to note his conclusions:

There is no escape, therefore, in the long run, from the necessity of man and of human industry adjusting themselves to the conditions laid down by nature when the world was formed. A chairman of the Ways and Means Committee of representatives—

Referring to the chairman of the Ways and Means Committee in 1924, Mr. Fordney—

declared, not long since, that the indomitable will and enterprise of American citizens could produce at home all the manganese required.

That was the philosophy of our friend from Michigan who was the chairman of the Ways and Means Committee in other years in the House of Representatives. He was a profound protectionist, and he would be willing to vote any adequate protection that would develop an infant industry to the point where it would come somewhere near producing a supply of a given commodity sufficient for our needs, and he seemed to be of the belief, in spite of the statements of scientific authority, that we might be able to produce our needs in the case of manganese; but the author here says:

And this gospel produced, to reinforce enterprise, a considerable protective tariff on manganese ore. The geological facts appear, however, to be more compelling than the tariff, for the United States postwar output of manganese has shrunk to insignificant proportions.

Mr. President, as I said before, I would vote without hesitation for a duty on manganese if it could be established that by imposing such a duty we could develop manganese production to such an extent as to come anywhere near supplying a reasonable proportion of our needs as now required by the industry, but the facts seem to be against justifying the conclusion that such a condition can be brought about.

I listened with much interest to what the Senator from Nevada [Mr. ODDIE] said last evening when he spoke about it being possible to take the abundance of low-grade ore now existing and through some beneficiating process to produce such a grade of ore as would meet the requirements of domestic industry and supply its needs. If that be true, I would not hesitate to vote for a duty on manganese, but the facts, to my mind, do not seem to demonstrate that to be the case.

Mr. President, looking over the figures I discover that we pay many times more in the shape of a duty under the present law than the value of the total production of manganese in the United States. I would not shy at that if by protective-tariff stimulus we could bring about a production amounting to something like our needs. I would not care how small it is now, if we had the promise under the proper stimulus that the industry could produce in quantities that would justify the imposition of a tariff duty; but that is not the situation; our progress since 1922 does not lead to that conclusion, and we have the best thought of the country, impartial and in no wise interested in the industry, to the effect that we can not produce manganese in the quantities required.

Upon that basis to vote for a duty on manganese would seem to me to be like voting for a tariff on coffee or tea. It would be a good thing from the standpoint of revenue, but it would not be a protective tariff; and I am inclined to stand where I stood in 1913 and 1922, unless I can be given some reason for believing that an additional stimulus will increase the output of manganese. If that can not be brought forth, then I do not see any need of continuing the tariff which, with considerable trepidation, we placed on the commodity in 1922.

I want the Senate to understand my attitude in this matter. The contrast between what is going on now in the case of manganese and what went on yesterday in the case of pig iron is a striking illustration of inconsistency, and it is still more a striking illustration of inconsistency when compared with what was done by the Senate in the case of pottery. There was an industry that, under the stimulus of the protective tariff, was built up to the capacity of our needs; it was producing what the country demanded; it was paying the American scale of wages, and we were not dependent upon any country in the world.

However, under the new methods employed and the cheap labor of Japan and other countries, we found that the tariff rate on the products of the pottery industry was not adequate and that the pottery industry was running at 40 per cent capacity, although heretofore it had been able to produce all of our needs under the stimulation of protection. Yet the Senate has refused to permit an increase of duty necessary to protect pottery products against the competition of Japan and voted to permit that industry, now running below 50 per cent of its capacity, to go out of business, thus displacing laborers of a skilled character who, when they are compelled to abandon the pottery industry, will have no ability to do other work. With

a capacity to produce a supply sufficient for our needs in the case of that commodity, protection is refused. We have now before us a case where it is conceded there is not the capacity to produce a supply sufficient for our needs, but the Senate evidently is willing to add an additional burden without the promise that a protective tariff on the article will stimulate it so that it may supply our needs.

That is a striking example of the inconsistency of the Senate in its proceedings on the pending bill. Is it prejudice that caused the vote against the increase in the duty on pottery and in the duty on pig iron? What is it that is causing the advocacy of protection in this instance? Unless there is advanced some convincing argument that by affording protection we can produce a quantity of manganese, not sufficient for our needs, but somewhere near sufficient for our needs, I can not support the amendment, but will support the committee amendment.

Mr. PITTMAN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Nevada?

Mr. FESS. I yield.

Mr. PITTMAN. Did the Senator vote the other day on the proposed tariff duty against synthetic camphor?

Mr. FESS. I voted for synthetic camphor.

Mr. PITTMAN. For a duty on synthetic camphor?

Mr. FESS. Yes.

Mr. PITTMAN. Is any synthetic camphor produced in the United States at the present time?

Mr. FESS. We have the promise that it can be produced if we have the protection.

Mr. PITTMAN. We have the promise that it can be produced?

Mr. FESS. Yes.

Mr. PITTMAN. And on that theory, although there is no production of synthetic camphor in the United States, the Senator voted for the duty. That seems to me totally inconsistent with the Senator's standpoint now.

Mr. FESS. No, Mr. President; there is no inconsistency. I would not vote for a protective tariff on anything—synthetic camphor or otherwise—if we had not the qualities and the productive ability somewhere, in some degree, to produce our needs. I would not say to produce all of our needs. That is entirely unnecessary.

Mr. PITTMAN. I was simply trying to understand the Senator. He said that if he thought the production of manganese in this country could be increased to supply our demand, or a substantial part of it, he would vote for the duty.

Mr. FESS. I would, Mr. President, if I could be convinced that the stimulation of an additional duty would make it possible for us to produce manganese, not to supply our entire needs, but in a degree proportionate to our needs. I think it is entirely untenable to say that we are not going to protect any article unless we can produce our entire needs. We can not do it in sugar. We can not do it in many things.

Mr. President, the same thing came up on the question of tin plate. There was a time when a distinguished candidate for Governor of Ohio pledged himself to swallow all the tin plate that ever would be manufactured under the McKinley bill. I heard him make the statement; and yet under the stimulation of that act we not only produced tin plate and terne plate but we produced our needs and became one of the great exporting countries of the article, stimulated by that law.

That is my theory. If the Senator from Nevada could convince me that by this duty we could increase our supply of manganese—I mean of commercial value, that which must be used—I would not hesitate a moment to vote for the duty.

Mr. PITTMAN. I am trying to understand the Senator. Now, let us get away from tin and get back to manganese. I am trying to see what measure of evidence is required to convince the Senator from Ohio that a domestic production may partially supply the demand.

In the case of manganese, we have the testimony here that there are unlimited quantities of certain grades of manganese in this country.

Mr. FESS. Yes; low grades.

Mr. PITTMAN. We have the testimony of a number of experts that those low grades may be benefited.

Mr. FESS. That is in doubt.

Mr. PITTMAN. All right. There is some doubt—

Mr. FESS. And I should be willing to let the doubt go in favor of the industry if it is not wholly doubtful.

Mr. PITTMAN. All right. That is the testimony with regard to the beneficiation of manganese. I know of no testimony against those experts, and there are five or six who have testified that they have to-day 8 or 10 processes which will bene-

ficiate it. On the other hand, going back to synthetic camphor, the only testimony I know of with regard to the possibility of making synthetic camphor in this country was that some subsidiary of the Du Pont Co. were working on a process that they thought might be successful, and that it was a little bit of a company that had not yet manufactured any synthetic camphor; and yet, in that case, by reason of the fact that we wished to encourage the manufacturing of synthetic camphor in this country, although nobody except a little corporation has started out to develop a process to make synthetic camphor, the Senator was perfectly willing to give that industry protection.

Mr. FESS. The Senator from Nevada certainly will concede that the question of the production of manganese in the United States has been before us for 40 years, and has been discussed in every tariff bill that came up here since 1897, while the production of synthetic camphor is a recent industry, and we have the suggestion that it can be produced under proper protection. We have been dealing with manganese for 40 years, and 7 years ago there was a duty; but now we are importing 95 per cent of our needs. Where is the argument that under the stimulation of a duty we are going to produce anything like what we need for our consumption?

Mr. PITTMAN. The Senator must know the reason. He must realize that the duty applies only to a very high-grade manganese.

Mr. FESS. Yes; it is what they must have.

Mr. PITTMAN. He must know that the testimony is that there is only a small amount of high-grade manganese in the United States; but there is an unlimited quantity of a lower grade.

Mr. FESS. And the lower grade is not usable.

Mr. PITTMAN. I understand; but they testify that they have 10 processes that will make the lower grade usable. That puts it exactly in the same position as the testimony that synthetic camphor can be made in this country.

Mr. FESS. Mr. President, if there were any scientific basis upon which we could take this low-grade manganese, which is in quite great abundance in this country, and could produce the quality that is required in high-grade steel production, such as the high-grade manganese is required for, I will say to my friend that I should not hesitate a moment to vote for a duty.

Mr. PITTMAN. But there is the testimony here of six or seven witnesses to that effect, and no testimony against it. In the case of synthetic camphor there is practically no testimony, except by one expert, that they hope to be able to do it.

Mr. FESS. Mr. President, while I recognize that this particular measure is going over by a big vote under the same stress under which heretofore certain things have been taken out of the bill and other things have been put in the bill, I can not give my support to it at this stage.

Mr. ODDIE obtained the floor.

Mr. REED. Mr. President, before the Senator from Ohio takes his seat will he yield for a question?

Mr. FESS. I yield.

Mr. REED. When the schedules relating to pottery were stricken down yesterday and a specific duty of 10 cents per dozen pieces were stricken out, my recollection is that it was done on the theory that that was going to save money for the consumer.

Mr. FESS. Yes.

Mr. REED. The Senator has referred to the action of the Senate in that regard. Has the Senator seen this exhibit which was brought to the Chamber this morning?

Mr. FESS. No; I have not seen that specific exhibit.

Mr. REED. Here is a set of six salad bowls which, under the proposition that was defeated yesterday, would have carried an additional tax of 5 cents. It would have added that much to the cost in this country. That set costs 43 cents in Germany. It cost 32 cents to bring it over here and pay the present 50 per cent duty, a total landed cost of 75 cents. Our proposal yesterday was to increase that 5 cents, making a landed cost of 80 cents. That set was bought on October 15 last from Bloomingdale Bros. for \$2.50. In other words, Bloomingdale Bros. made a profit of \$1.75 on an article that had a landed cost of 75 cents. Still, it is pretended that the addition of 5 cents to the landed cost would hurt the consumer.

Mr. WALSH of Montana. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from Montana?

Mr. ODDIE. I will request recognition after the Senator from Montana has finished.

Mr. WALSH of Montana. Mr. President, I desire to address a question to the Senator from Ohio; but, before we leave this pottery matter, I suppose as a matter of course that the im-

porter asked \$2.40 or some other price for that set of bowls, because that is the price asked by the domestic manufacturer.

Mr. FESS. Certainly. The importer will put his price just low enough or high enough to get the American market, and when he has the American market he will then fix his price.

Mr. WALSH of Montana. So we must assume, as a matter of course, that the domestic manufacturer is asking about \$2.40 for the same thing.

Mr. FESS. Because that is the cost of the labor that is in it—the difference between the labor there and the labor here.

Mr. WALSH of Montana. The difference in the cost of the labor?

Mr. FESS. Yes.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH of Montana. Before we pass this matter, I desire to address a question to the Senator from Ohio.

Mr. BARKLEY. I was wondering whether, after having discussed this earthenware set, we are ready now to vote on manganese.

Mr. WALSH of Montana. We shall be ready very quickly.

Mr. FESS. Mr. President, I have rather a deep feeling in regard to the attitude of the Senate on the question of pottery, for the reason, as I stated before, that that is an industry that was built up entirely under the stimulus of a protective tariff, and had gotten to the position where we could produce our needs; but by a gradual incursion of Japan, which could pay the transportation cost and the duty and still make an article that would undersell us, we found this industry running at about 40 per cent of capacity. In spite of that situation, we frankly and without hesitation, although voting a duty on manganese, refused such additional duty on pottery as to make it possible for that American industry to survive. I do not think that is justified at all, from any standpoint.

Mr. WALSH of Montana. But, to get back to manganese, the Senator from Ohio, ardent protectionist as he is, assures us that if he could be satisfied that manganese could be produced in this country in a reasonable proportion of the needs of the domestic market, he would be very glad to help stimulate the industry by a duty.

Mr. FESS. I repeat that. That is my position.

Mr. WALSH of Montana. But he has not been satisfied upon that particular matter; and he was interrogated by the Senator from Nevada [Mr. PITTMAN] as to just exactly what kind of evidence he would need to convince him.

Mr. FESS. Scientific evidence, and not evidence of somebody who is interested merely in the possibilities of the industry.

Mr. WALSH of Montana. Exactly.

Mr. FESS. Scientific evidence.

Mr. WALSH of Montana. The Senator then called our attention to a magazine article of 1926.

Mr. FESS. By one of the greatest authorities on mining in the country.

Mr. WALSH of Montana. Yes; and if he could only be satisfied from the Bureau of Mines or the Geological Survey that it can be done—

Mr. FESS. That would be the best authority we have.

Mr. WALSH of Montana. Let me give that to the Senator. I read from the hearings before the Senate Finance Committee, and ask the Senator if he has attended to the testimony of Mr. Paul M. Tyler, along with the Bureau of Mines, and later with the Tariff Commission.

Mr. FESS. I have not seen his statement.

Mr. WALSH of Montana. Let me read it to the Senator; and, if the Senator from Nevada will pardon me, I desire to read at some length.

Mr. BARKLEY. Mr. President, will the Senator yield there for a suggestion which I think ought to be included in the description of the gentleman?

Mr. WALSH of Montana. Yes.

Mr. BARKLEY. It is that he is financially interested in the production of manganese in the United States.

Mr. WALSH of Montana (reading):

In 1919 and again in 1921 and 1922 when I was chief of the metals division of the Tariff Commission, I had further opportunities to review the reports of highly competent geologists and to examine the statistical position of manganese mining, partly because of the war-time importance of manganese the industry interested me more than many others and I gave it much study. In several reports that I wrote about that time I stated that manganese mining on a large scale in the United States was an artificial industry and could not be justified except under war-time conditions. In 1922 when I was attached to the Finance Committee as an expert during the consideration of Schedules 2 and 3 of the Fordney bill, I voiced what was then the almost universal judgment of Government geologists and economists for I believed that our supplies of usable manganese ore were too limited and too precious to be exploited except in the event of war-time emergency.

The Senator has adopted that view and speaks as of the information that was available at that time.

Mr. Tyler continues:

I resigned from the Tariff Commission in 1923, but as I was writing articles from time to time dealing with the economics of the steel industry I kept more or less in touch with the developments in manganese. Nevertheless in 1927, when I was engaged by the Tariff Commission to make a study of the costs of producing manganese, ferromanganese, and spiegeleisen, I was more than ever convinced that the tariff had failed to create even the healthy nucleus of a domestic industry.

Now we are down to 1927.

I visited several more of the ferromanganese furnaces, talked with officials of the steel companies, analyzed our imports, and reviewed the literature on foreign and domestic deposits. These studies served to deepen my former convictions with regard to manganese, and I started upon a tour of domestic deposits anticipating only further evidence to confirm my judgment.

Now let us see what he got. I read:

In Minnesota I learned more in detail of the pioneer work of the Bureau of Mines experimental station and I watched the operations of an experimental plant using the Bradley process. I made a flying trip to the Cuyuna Range. I proceeded to Butte and thence to Philipsburg, Mont. From there I went to the Olympic Peninsula in the State of Washington; thence through California to Arizona, and from there to New Mexico and then to Arkansas. I stopped at Birmingham, Ala., to see the ferromanganese plant of the Tennessee Coal & Iron Co., and talked with Mr. Blair, the ore buyer. I spent about a week in Georgia, and finally I walked over the principal properties in Virginia. Throughout this itinerary I was accompanied by an accountant and part of the way by an economist of the Tariff Commission, and I believe that my opinions were shared by my associates in this investigation.

Mr. FESS. Was he a member of the Tariff Commission then?

Mr. WALSH of Montana. No; he was not.

Mr. FESS. Was he interested in manganese?

Mr. WALSH of Montana. We will talk about that directly. I want to give the information to the Senator first. I read further:

I want to say further that, having made my report to the Tariff Commission, I asked permission of the chairman of that commission to engage in working out certain of my ideas, because I had then become convinced that the manganese industry had the makings of a real industry, and I decided to invest my time and my money in working out certain of the details which I felt were promising.

The two outstanding impressions resulting from my actual contact with the mining districts were, first, that we have large supplies of low-grade ore; and, second, that the metallurgy of manganese was antiquated and out of date.

I believe the metallurgical problems have been largely solved. At the Bureau of Mines Experiment Station at Minneapolis, Rolla, and Salt Lake, new principles of metallurgy have been discovered within the last three or four years. The flotation of carbonate ores and the flotation of oxide ores would have been laughed at five years ago. They would have been declared utterly impossible.

The other day I had a letter which said it was impossible. And yet at the Bureau of Mines Experiment Station these new principles have been worked out, and I believe that they will be commercially practicable.

I shall venture no opinions as to the wisdom of a national policy that extends to raw-material industries, the same sort of protection that has nourished our manufacturing industries. I am prepared to submit as my personal conviction that, provided a price of approximately 65 cents a unit can be established at Pittsburgh, we should be able, before long, to satisfy at least one-half of our needs, and in the event of war, all the manganese we require.

Does that seem rather persuasive to the Senator from Ohio?

Mr. FESS. If the statement were true, and the speaker were uninfluenced by a personal interest in the development of manganese, it would have a strong effect on me. However, the Senator will admit, as a lawyer, that if he has any element of interest in the development of manganese or in having the Government assist in it, that evidence would be weakened to that extent.

Mr. WALSH of Montana. Would the Senator think it would be weakened in the entire absence of any countervailing evidence?

Mr. FESS. No. I am not one of the people, either, who think, simply because some one might be in some way attached to an industry, that anything he says is to be discounted. It has some effect, of course, but I think that a man who knows should not have his testimony rejected simply because he might have identification with an industry. But, as I stated, the authorities I have consulted, which are official, lead me to believe that no matter what protection we may give we will

not produce the kind of manganese that we need. If we could do that, I would not hesitate for a second to vote for the amendment.

Mr. WALSH of Montana. Mr. Tyler seems to have a different idea about it. But let me remark that he fixes 65 cents as the figure at which the industry will go forward, so that in a few years, at least, we will be producing one-half of our entire consumption, which is about 800,000 tons a year. Let me remark further that the records show that the actual price paid for imported ore in this country is 68 cents per unit; that is, including the duty of 1 cent.

Mr. FESS. Mr. President, I wish to congratulate the country that we have added to the protectionists such a distinguished protectionist as the Senator from Montana.

Mr. WALSH of Montana. I make no apology whatever for calling attention to the fact that the steel industry, a very leviathan in the ocean of protection, though announcing its adherence to the policy of protection, is objecting to a duty on one of the elements entering into the production of steel. Moreover, I make no apology to anyone for advocating a reasonable duty upon a commodity that is utterly indispensable to us as a matter of national defense, and I make no apology to anyone for advocating a duty upon a struggling, infant industry that is endeavoring to establish itself.

Mr. FESS. The country and the industries of the country may be congratulated on this addition of the new protectionists on the other side of the aisle, the Senator from Montana, as well as his colleague, and the Senator from New Mexico, who, however, is in a sense a protectionist on general principles. I simply want to call attention to the inconsistency of these people who are voting against anything in the way of protection except on what comes from their localities. If that is consistency, let them make the most of it.

Mr. ODDIE. Mr. President, the Senator from Ohio has just made some comments on the production of manganese and what can be expected in the way of future production. He has quoted a very eminent geologist and engineer, Josiah Edward Spurr. I have known Mr. Spurr for many years. He is a very high type, able man. But the article to which the Senator has referred was written by Mr. Spurr several years ago.

Mr. FESS. In 1926.

Mr. ODDIE. In 1926. Since then various processes for the beneficiation of low-grade manganese ores have been discovered, for instance, the magnetic separation process, the leaching process, as applied to oxidized and carbonate ores. There is ample testimony in the hearings to show that there is an abundant supply of manganese ore in the United States which can to-day be treated and made available for the market. Two years ago a large part of that low-grade ore was not considered marketable. The processes that have been developed in the last year were not known then.

The Senator from Ohio referred to Mr. Spurr as editor of the Engineering and Mining Journal-Press. He was editor of that paper for several years, but he is not the editor now. To-day the Engineering and Mining Journal-Press, as I understand, is a strong advocate of adequate protection on manganese.

Mr. FESS. Mr. President, did the Senator mean to say that he was not editor in 1926, when he wrote the article?

Mr. ODDIE. He was editor in 1926, but he is not editor to-day. Mining engineers and geologists occasionally make mistakes in judgment. I have had much experience with them. I have made many mistakes along that line myself. But the bulk of the opinion of the mining men of the United States is that there is in this country an abundance of manganese ore available, enough to supply the United States for many, many years.

The estimates show that in 1929, 80,000 tons will be produced, and the estimates show that 280,000 tons will be produced in 1930.

Many millions of dollars have been invested in this industry in the last few years, millions more are going into it, numbers of small enterprises are starting up. It means much to the development of our resources for this industry to be allowed to live.

I know there is strong opposition among certain interests to the extra half cent for which my amendment calls. I hope that amendment will be adopted. I have consulted the manganese producers of the United States for a long time on this matter, and they have agreed that the rates stated in this amendment are the proper rates to be enacted. I hope the amendment will be adopted.

Mr. President, last night I gave a review of the manganese situation and mentioned the use to which manganese is being put in the agricultural industry. Manganese sulphate has been found to be a most valuable fertilizer. It supplies elements to certain soils in the country which are lacking. In many cases

it results in increasing the production of certain soils to a large extent.

If we are dependent to a large extent on the foreign manganese supply, the cheap manganese sulphate will not be available to the farmers in various parts of the country as will be the case if this amendment is adopted and the manganese deposits of various sections of the country are allowed to develop and prosper. It will mean that this valuable fertilizer will be closer at hand to the farmers.

Mr. President, it will help the steel industry in the end if the manganese industry of the United States is allowed to grow and prosper.

Mr. REED. Mr. President, will the Senator yield?

Mr. ODDIE. I yield.

Mr. REED. Do I correctly understand the Senator to say that it will help the farmer to put a tariff on this variety of fertilizer?

Mr. ODDIE. I believe it will, Mr. President, because it will result in manganese deposits in various parts of the country being developed. The waste from the manganese ore is converted now into manganese sulphate, which is available for the farmer.

Mr. REED. If the Senator is correct in that, the Finance Committee has been going on a wholly wrong assumption. We have taken the duty off of about 96 per cent of the various materials that are used for fertilizer, and we did it with the idea that it was essential to agriculture to do it. Now the Senator says our theory is wrong, that it will help the farmer to put a tariff on fertilizer.

Mr. ODDIE. Mr. President, I am not at this time discussing any other fertilizer than manganese fertilizer. Manganese supplies the elements to the soil that are needed in certain cases. Some soils do not need manganese fertilizer, but other soils, like many of those in Florida, do need manganese, and the application of manganese to those soils results in more than doubling crop production in many cases.

Mr. President, this matter has been argued for a long time, I think it is well understood, and I hope we can have a vote which will result in carrying this amendment.

Mr. GOLDSBOROUGH. Mr. President, will the Senator yield?

Mr. ODDIE. I yield.

Mr. GOLDSBOROUGH. In an editorial in the Baltimore Sun of July 16, I find the statement made that shipments of domestic manganese for 1927 amounted to but 45,000 tons, while the importations were 631,000 tons. I also find in some data I have in my hand that the domestic production of manganese for 1923 was 31,500 tons, while the importations amounted to 339,536 tons. In 1924 the domestic production amounted to 56,515 tons, while the importations amounted to 540,065 tons. In 1925 the domestic production amounted to 98,324 tons, while the importations amounted to 681,395 tons. In 1926 the domestic production amounted to 48,258 tons, while the importations amounted to 692,108 tons. In 1927 the domestic production amounted to 44,741 tons, while the importations amounted to 682,120 tons, and in 1928 the domestic production amounted to 45,000 tons, while the importations amounted to 637,258 tons.

The tariff on manganese, as I understand it, under existing law is 1 cent per pound while under the proposed amendment it would be 1½ cents per pound.

Mr. ODDIE. For ore of over 25 per cent content.

Mr. GOLDSBOROUGH. Am I to understand the Senator, in the light of the statistics which I have just given for a number of years, that he thinks 1½ cents per pound would bring the production up so we will have a sufficient American production to care for our needs?

Mr. ODDIE. I really feel so, Mr. President. I feel very strongly that such is the case. The fact that manganese importations have so exceeded our domestic production in years past is largely because our manganese resources have not been developed. Certain processes for the beneficiation of manganese ore were not known one or two years ago, but are known to-day to be effective, and I feel confident that if the amendment is agreed to the American manganese industry will be so encouraged that it will be able to supply our needs in a very short time. The records show that numbers of enterprises are about to start in the development of American manganese. We must give the industry a chance. There is much American capital dependent upon it. There are thousands of American workers who are waiting for the enactment of the amendment into law, because it will mean employment for them.

Mr. GOLDSBOROUGH. Has the new process of which the Senator speaks been put to any practical test or operation?

Mr. ODDIE. It has been tried by the Bureau of Mines in various sections of the country. A large amount of American capital has recently invested in plants which are using these

processes, so that in a very short time the production will increase. In 1930 the production should increase 200,000 tons over that for 1929.

Mr. GOLDSBOROUGH. I would again invite the Senator's attention to the fact that over a period of six years there certainly has been no material increase in the domestic production, notwithstanding that they are now operating under a 1-cent tariff, and unless there is some absolute assurance based upon practical operation of the new processes that some result is going to be accomplished, I can not see any advantage to come to the American people.

Mr. SACKETT. Mr. President—

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Kentucky?

Mr. ODDIE. I yield.

Mr. SACKETT. The Senator's amendment would apply a rate of 1½ cents per pound on manganese over 25 per cent?

Mr. ODDIE. Yes.

Mr. SACKETT. It seems to me I remember rather distinctly that one of the difficulties cited before the committee with the present tariff on manganese was the fact that it was limited to 30 per cent manganese at 1 cent per pound, but the imports that came in were of 28 per cent manganese, and therefore the large amount of imports did not pay any duty. If the Senator makes the rate of 1½ cents per pound on 25 per cent manganese, will not the imports come in at 23 or 24 per cent and upset the whole calculation the Senator has made? Will not the result be that for the next six years there will not be sufficient protection to enable the production of manganese domestically and we will not have a large production of it?

Mr. ODDIE. There is quite a difference between 29 per cent manganese and 23 per cent manganese.

Mr. SACKETT. Does the Senator feel that 23 per cent manganese is not practical for imports?

Mr. ODDIE. I would not say that.

Mr. SACKETT. If that is the case, does not the Senator feel that his amendment would be ineffective?

Mr. ODDIE. I do not think it would be. It has been worked out very carefully by the best experts in the business.

Mr. SACKETT. I would like to ask the Senator to explain, if the tariff of 1 cent per pound on 30 per cent manganese did not work, why he thinks it would work if we should limit it to 25 per cent manganese?

Mr. ODDIE. Because the present law calls for a tariff of 1 cent per pound on manganese of 30 per cent and more. The 100,000 tons that I have just referred to that was shipped into the country this year was under 30 per cent manganese content. It carried no duty at all. It came in free. My amendment proposes a duty which will stop that sort of thing.

Mr. SACKETT. But will it stop it?

Mr. ODDIE. It will give adequate protection to the American producer.

Mr. SACKETT. But will it do that? That is the point I am trying to make.

Mr. ODDIE. We believe that it will. It has been worked out by the manganese producers of the United States and they are all of one mind practically that the proposed scale will be satisfactory and will protect the American producer.

Mr. FESS. Mr. President—

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Ohio?

Mr. ODDIE. I yield.

Mr. FESS. It has been stated that we do produce an abundance of low-grade manganese. The Senator's contention is that we can through some new process make that low-grade manganese of commercial value such as is required in high-grade steel manufacture?

Mr. ODDIE. Yes.

Mr. FESS. If that were true, I wonder why the Senator has proposed a limitation of 25 per cent? Why not have the protection apply to all grades, because evidently the low grade will not be in competition, and the high grade, coming in as it would, would not disturb the low-grade production.

Mr. ODDIE. Below a certain grade it would not pay to ship it in, because it is not a high-priced product.

Mr. FESS. That is why I say there is no need of putting a tariff upon the low grade. If the low grade can be made into a high-grade product, it seems to me there is no particular advantage in having the low grade protected.

Mr. ODDIE. It is necessary because great quantities of low-grade material would be shipped into the country without the tariff, and experts on the matter feel that one-half cent will be adequate to cover the grade between 10 and 20 per cent. We are not producing much of the low grade now, but it is available, and the best experts of the country estimate that there are countless millions of tons reasonably in sight, and that with

the protection proposed the industry will be able in a short time to supply the needs of the United States.

Mr. President, I hope the amendment will be adopted.

Mr. GOLDSBOROUGH. Mr. President, I send to the desk an editorial from the Baltimore Sun of July 16, 1929, on the subject of manganese. I ask that it may be read at the desk.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read the editorial, as follows:

[Editorial from the Baltimore Sun, July 16, 1929]

MANGANESE

In the case of manganese ore, half of the total importations come through this port, which makes it of local importance to encourage freer shipment. But the real argument for putting manganese on the free list is that there are but few deposits in the United States. Shipments from them in 1927 amounted to but 45,000 tons, as compared with importations of 631,000 tons. There seems to be no good reason why a great toll should be levied on all industries that use manganese in order to encourage home production which gives no promise of ever being capable of supplying the home demand. The favorite plea that we should not be dependent during war on foreign countries for an essential material is overworked in this instance. It really is meaningless, in view of the facts.

Mr. ODDIE. Mr. President, the editorial just read is based on certain information that has been spreading over the country for a long time past, but the fact is that with modern methods which under scientific investigation have been discovered in the last year, producers will be able to treat successfully enormous quantities of the low grade ore.

Mr. REED. Mr. President, I shall try to be brief, but there are a few things I should like to state with reference to the pending subject.

First, I would invite attention to the parallel between the subject of manganese and that of synthetic camphor. When we came to the question of a duty on synthetic camphor we found that the only producer in the world is the German monopoly. We found that a factory had been built in the State of New Jersey which would be ready to operate within three weeks from this time. The chemists all told us that the production of synthetic camphor in this country is entirely feasible. It is made with turpentine and some additional coal-tar by-products, though turpentine is the principal raw material, and most of that used in Germany for the manufacture of synthetic camphor comes from the United States.

It was never questioned by anybody that we could make synthetic camphor here. The consumers of synthetic camphor, the pyroxylin plastic manufacturers, came to us in the committee and asked us to put on a duty, although they said it would increase the cost of the camphor which they bought, but they asked it because they did not want to be at the mercy of the German monopoly and they wanted to see the industry built up here.

Our friends of the coalition voted against a duty on synthetic camphor. Now they propose to restore the present duty on manganese and to increase it 50 per cent, and I have a word to say about that. The consumers do not ask it. They protest bitterly. Instead of our being able to make indefinite quantities of manganese, as we can of synthetic camphor, the proofs to my mind are overwhelming that the production of manganese in this country can not be made to come up even to one-half of our requirements. I am perfectly well aware that much is said about the processes of beneficiation of low-grade ore, that rosy promises are given about the future of the industry if we will only continue this duty; but the people who make those promises are people whose interest is in the low-grade deposits. They have a money interest in the matter. The impartial geologists and chemists who have testified, the disinterested witnesses, tell us it is impossible, and the history of the matter shows that it is.

Mr. PITTMAN. Mr. President, will the Senator give us the names of those scientists who said it was impossible?

Mr. REED. I am just about to do so.

Mr. WHEELER. Mr. President, will the Senator yield for a question?

Mr. REED. I yield.

Mr. WHEELER. The Senator does know, however, that there have been discovered new processes in the last year or so and that they are making great headway, and that particularly in my city of Butte, Mont., they are turning out a lot more of high-grade manganese than they ever did previously.

Mr. REED. There is an industry in Butte which, by a process of sintering, I think, treats rhodochrosite, which is obtained out of the Anaconda mine workings, and is making a commercial product running around 50 per cent, as I understand, and it sells well. It is being shipped as far east as Pittsburgh and is being

used there. The quantity of that product available, I am afraid, however, is so limited that it can never reach as much as 10 per cent of our annual requirements. But I will come to that in a few moments.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Montana?

Mr. REED. I yield.

Mr. WALSH of Montana. I am surprised at that statement. That company is now shipping 6,000 tons a month. They are shipping at the rate of 72,000 tons a year, and the total consumption is only 800,000 tons, so that we have now reached 10 per cent.

Mr. REED. They are nearly up to 10 per cent.

Mr. WALSH of Montana. That one source is now supplying 10 per cent.

Mr. REED. It is splendid if they can do it, but I am coming to that.

Mr. ODDIE. Mr. President, will the Senator from Pennsylvania yield to me at that point?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Nevada?

Mr. REED. I yield.

Mr. ODDIE. Among the other properties which were mentioned, I think on yesterday, is a company in Georgia which this year is producing 20,000 tons. It has put large sums of money into its plant, increased its capacity, and improved its processes to a point where it will produce 120,000 tons next year. That is one of the number of companies I have mentioned.

Mr. REED. Mr. President, we had the same rosy promises in 1922, but if we may judge them by what has happened in the past and not by what may happen in the future, the last authentic and accurate figures I have for the production of the State of Georgia show that there was produced in that State in the year 1926, 927 tons.

Mr. ODDIE. Mr. President, will the Senator yield to me for just a second more?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield further?

Mr. REED. I am glad to yield to any reasonable extent, but the Senator was allowed to proceed without interruption and why should I not be?

Mr. ODDIE. I merely wish to make one comment.

Mr. REED. Very well.

Mr. ODDIE. I merely wish to say that the plant which is now working in Georgia and which is being developed for an increased capacity was not built at the time the Senator mentions.

Mr. REED. Very well. The figures as to the annual importations and the domestic production have just been put into the RECORD by the Senator from Maryland [Mr. GOLDSBOROUGH], and it is needless for me to repeat them.

Let me call to the attention of the Senate just what we have done in protecting this infant industry. In 1926, in which year Arizona, Arkansas, Georgia, Montana, New Mexico, Virginia, and Washington were the only States producing more than a ton or two, the total production of those seven States was \$247,000 worth at the plants. If they pay the same kind of wages that we pay our miners that production represents the labor of about 100 men. Assuming that the value of the commodity at the plant represents the wages entirely and that the owner of the property gets nothing, 100 men were interested. In that same year in order to protect that industry we taxed the consumers of the United States in duty \$6,523,000. We could have paid them an amount equal to the value of their output; we could have paid them many times that much out of the Public Treasury without the necessity of their turning a wheel or driving a pick, and the people of the United States would still have been better off.

Mr. PITTMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Nevada?

Mr. REED. Again I yield.

Mr. PITTMAN. I hope I am not bothering the Senator.

Mr. REED. Not at all.

Mr. PITTMAN. I think what the Senator has just said may be applied with equal force to any infant industry when it starts.

Mr. REED. Yes.

Mr. PITTMAN. There is no doubt about that, is there?

Mr. REED. That is quite true.

Mr. PITTMAN. That follows as a matter of course when a new industry is started. Take the steel industry itself. The steel industry adds a cost of many million dollars by virtue of the tariff, does it not? And if we compare the number of men employed in the steel industry with all of those who pay millions of dollars in tariff taxes, a similar result might be realized. It might be cheaper to pay the Steel Corporation

directly the amount they desire rather than to tax all the people for the same thing. The theory the Senator suggests is worthy of consideration with regard to all kinds of industries.

Mr. REED. Surely; and if the Senator wants to discuss that question when we get to the steel tariff, very well. I wish to speak of manganese.

This infant industry which we are asked to protect was an infant industry in 1922, and at that time it had the same promise of growing up to be an adult that it seems to have now. At that time the Congress was told by Mr. Crosby, one of the great developers of the Cuyuna Range in Minnesota, about which we have been hearing to-day—

I say this with all candor: I believe that if this industry was protected so that there would be a sale for the ore that this country is capable of producing 75 per cent of the manganese that is consumed in the steel-making trade of this country, and would be able to do so for a great many years. There is no question in my mind about it.

That statement was made before the Finance Committee in 1922.

Another authority at the same hearing was Mr. Charles W. Potts, of Deerwood, Minn., who testified before the same committee:

If this duty of 1 cent per pound on the metallic content is retained in this bill, the domestic mines will be able to supply from 50 to 75 per cent of the annual requirements during the first few years. Eventually the domestic mines would be able to supply the entire yearly requirements.

Now let us see how those promises were carried out after those gentlemen got everything they asked for in return for their promises.

In 1924, two years after the tariff went into effect, they were able to produce 9.4 per cent of the country's requirements, and we had to import 90 per cent. In the next year they reached their high-water mark; they produced 12.6 per cent of the country's requirements, and we had to import 87.4 per cent. Then the industry slumped. The reason for the high percentage made in 1925 as compared with previous years was a large production from the mines at Butte. Then the amount produced by the domestic mines dropped from 12.6 per cent in 1925 to 6.2 per cent in 1926, and the steel industry had to import 93.8 per cent of its requirements.

In 1927 they dropped back a little further, and produced only 6.1 per cent; in 1928 they supplied 6.5 per cent, and we had to import 93.5 per cent.

If we could depend upon these assurances so fluently given us by Mr. Adkerson, who is the chief advocate of this duty at the present time apparently, and if we could depend upon the assurances given by men like Tyler, the expert whose testimony was quoted a little while ago to the Senator from Ohio, I would join in urging this duty, because it is very desirable that the United States should have an abundance of this material available within its borders. It is the cheapest and most practicable oxidizing agent for use in the steel bath. There are others which are known, but they cost more. It is also important to the national defense that we have manganese developed and available. I am afraid, however, that the testimony leaves us in no doubt about the existing condition.

It is true that Mr. Tyler did say that he believed that this process of beneficiation could be developed; that it could be made successful; but he is not the disinterested expert that those favoring the duty would have us believe, because he himself testified that he is interested in the development of a process for beneficiating low-grade ores, and he has invested money in laboratory work along that line. He is just as much interested as is Mr. Adkerson or anybody else.

Then we looked for disinterested witnesses, and I suppose there is no more prominent, distinguished, and respected geologist in the United States to-day than Dr. Charles K. Leith, of the University of Wisconsin, who is a great student of mining and mining problems.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Montana?

Mr. REED. I yield.

Mr. WALSH of Montana. Is Doctor Leith a disinterested witness?

Mr. REED. I think he is.

Mr. WALSH of Montana. He is in the employ, is he not, of the Iron and Steel Institute?

Mr. REED. Doctor Leith was brought here by the Iron and Steel Institute; that is true.

Mr. WALSH of Montana. He is in their employ, is he not?

Mr. REED. I do not know that he is permanently in their employ. He was brought here at their expense, I believe, and

appeared for them, but he is not a regular employee of theirs, so far as I know.

Mr. ASHURST. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Arizona?

Mr. REED. Yes; I yield.

Mr. ASHURST. The Senator from Pennsylvania will find on page 179 of the Senate committee hearings the following "statement of Dr. C. K. Leith, Madison, Wis., representing the American Iron and Steel Institute":

Doctor LEITH. I speak for the American Iron and Steel Institute and the American iron and steel industry generally.

That is quite ingenuous and frank; and at the conclusion of Doctor Leith's testimony, which I have read with care, I find this statement:

Doctor LEITH. My professional practice is pretty largely in iron and related products, and that brings me in contact with iron-ore producers and indirectly with the steel industry. I have been asked by the Iron and Steel Institute to present my views, which happen to coincide almost exactly with the views of the steel industry at this time. Otherwise I would not have presented them.

Mr. REED. I thank the Senator from Arizona. I was going to read that.

Mr. ASHURST. In other words, the able Senator—I will not say insinuated, for Senators do not do that—the able Senator rather indicates that Mr. Tyler's testimony can not be accepted entirely because of some small interest he has in the development of a process. Then he turns and asks us to believe completely, without reservation, all of the testimony of Doctor Leith, whose whole interest is in the matter. Now, if the Senator will permit me further—

Mr. REED. All right.

Mr. ASHURST. Let me say a word about Mr. Tyler. Mr. Tyler was a reluctant witness; he did not desire to come; he did not ask to be subpoenaed. I caused him to be subpoenaed. He came at the suggestion of Senators interested in this item. He was not a volunteer witness, and he came, I repeat, with some reluctance.

Mr. BARKLEY. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. REED. I yield.

Mr. BARKLEY. Mr. Tyler said that, due to the fact that he was financially interested in this tariff, he felt that the committee might not give as much consideration to what he might say as if he had been wholly disinterested.

Mr. ASHURST. Oh, no, Mr. President, if the Senator from Pennsylvania will permit me further, Mr. Tyler's attitude was magnificent. Everywhere in this world loyalty is a beautiful attribute. He felt that inasmuch as some of his superior officers had a view different from his own, he should not rush forward and volunteer his testimony. Mr. Tyler's attitude, I repeat, was splendid. It was that of a loyal, faithful, and honest official. He was not afraid that his interest was of such an extent that anybody would believe that he would color his testimony. Those who know Mr. Tyler know that not for the wealth of Lydia's king would he color his testimony.

Mr. BARKLEY. I am not insinuating that he would. I remember Mr. Tyler. He testified before our subcommittee. With reference to Doctor Leith, however, I desire to call the Senator's attention to the fact that Doctor Leith stated that while he had been asked to come here by the Iron and Steel Institute, the opinions which he expressed before the committee as a witness were opinions he formed long ago as a metallurgist and as a professor in the University of Wisconsin, and that he had publicly and privately expressed those views long before he was ever summoned here.

Mr. WALSH of Montana. Mr. President, will the Senator pardon me?

Mr. REED. Yes, Mr. President.

Mr. WALSH of Montana. The Senator from Kentucky has correctly expressed it. They are the ideas of Doctor Leith expressed a long while ago, and to which he has since adhered, notwithstanding the metallurgical developments since that time.

Mr. REED. Mr. President, Doctor Leith was brought here by the American Iron and Steel Institute to testify because his expressed views on this subject were in accordance with theirs, and because his standing among the geologists of the United States gave him an uncommon authority and right to speak. He is professor of geology at the University of Wisconsin. During the war he was the mineral adviser of the War Industries Board. He was the chairman of the committee on mineral imports of the Shipping Board. He was taken to Paris as adviser on mineral matters to the peace commission. Since then he has been mineral adviser to two of the Government de-

partments, and has a considerable private practice. I think that the Senators from Wisconsin, if they were here, would join with me in bearing testimony to his high character, his long experience, and his unequalled standing. I know, of course, that the Senator from Arizona did not mean to cast any reflection on Doctor Leith.

Mr. ASHURST. Not at all.

Mr. REED. I am sure that is so.

Now, better than any speech I can make is the testimony that Doctor Leith gave to the committee. I want to read a little of it:

In a country that has been as prolific as this country has been in the production of minerals it is a perfectly natural presumption that manganese can be found like other minerals. That has been the presumption for years. It has been systematically searched for in the development of a very thriving and growing mineral industry. The steel industry has taken a vigorous part in this search. Thousands of deposits have been examined and reports made, and it is not through any lack of effort that there was failure to find manganese in this country, and when the war opened up there was a pretty general consensus of professional opinion in the country that it was short of the necessary manganese supplies.

When the war broke out this opinion had been expressed and printed time after time. The question became acute at once, due to the fact that manganese was using up a lot of ships. It takes a lot of ships to carry 600,000 or 800,000 tons of manganese per year, particularly from such long distances, and those ships were very badly needed for purposes of the war. So, as chairman of the committee on mineral imports of the Shipping Board, I was instructed to take up the question to see how much manganese could be eliminated from the import trade and how much could be substituted from domestic sources.

It was a new situation. We called in the experts of the Bureau of Mines and of the Geological Survey. We called to Washington dozens of experts from different parts of the country who knew anything about it. We called producers and owners of small mines, and went over the situation very intensively. We sent out men, special agents of various kinds, technical men, into the field to check over the reports which had been made.

On one side we had the steel industry, fearful lest the cutting down of the ship supply would endanger the Government's steel program; and there were some stormy sessions and stormy representations on the part of the steel industry. On the other side we had some of the domestic enthusiasts who thought this country could supply all the manganese that was necessary. The situation called for critical weighing of facts without regard to political or commercial considerations.

Senator KING. Or geographical consideration?

Doctor LEITH. Or geographical considerations.

After very thorough consideration of the subject—I may say that this particular investigation was probably more intensive for that year than would have been possible in a series of years under normal peacetime conditions—and after careful weighing of all these facts, we cut down the requirements of ore from abroad, particularly those from Brazil, and sent out an S O S to the country to come along with manganese, however it could be gotten, at almost any price.

The results of that are very well known. At a price that was five times the normal price, and with a loss to almost all of the consumers—four-tenths of them registered claims with the war relief committee, and registered claims for considerable losses—the country came forward with something like 35 per cent of the requirements of manganese—20 per cent of its requirements for the high grade and 15 per cent of its requirements for the low grade. This fact, I think, convinced most impartial observers that the professional opinion which had been slowly developing for 20 years before that time was undoubtedly correct, and that the country had gone about as far as it could go to spring the limits.

After the war there was a desire on the part of the people professionally interested in the minerals to preserve some of the lessons of the war and preserve some of the information that had been acquired under these abnormal conditions, and the technical societies—the Mining and Metallurgical Society of New York and the American Institute of Mining and Metallurgical Engineers—both formed committees to study subjects of that sort. I was chairman of the committee on foreign mineral policy for the Mining and Metallurgical Society of America, and we had a picked subcommittee on manganese to report on the situation. This subcommittee was selected with the best care we could give to the subject, regardless of affiliations, and the report of this committee is probably the most incisive and comprehensive report on manganese that has been made or that now exists in print. It has been quoted again and again. It has been brought up before Congress. It has been used in official reports of departments of the Government, and I think I can say that it is the most authoritative statement that has been issued.

About the same time the Secretary of War called on the American Institute of Mining Engineers for a report on some of the key minerals, and it more or less borrowed our committee. The members were more

or less common to the two institutions, and a special report was made up from the same material to the Secretary of War, which was published by the War Department, but there was certain confidential material, not for distribution, though it contained substantially the information of the published report.

Senator KING. Bearing what date?

Doctor LEITH. Bearing the date of 1924.

This was in 1924.

Doctor Leith goes on as follows:

Senator KING. Have any discoveries since then led to any change in the deductions therein drawn or the facts therein stated?

Doctor LEITH. No, sir. I was going to develop that fact in just a moment.

I should like to read you just one paragraph from that report:

That paragraph from this report that Doctor Leith says is the most authoritative statement ever issued is as follows; and with that I shall end the present quotation:

There are those who believe and maintain that the domestic manganese reserves of the United States are very large, many times the figures presented herewith by your committee. Actuated by this belief, it is the opinion of these people that a domestic manganese industry should be created and fostered by artificial means—by tariffs or bonuses—so that an emergency may find it actively functioning and prepared to meet any requirements. Your committee can not agree with this opinion, simply because it does not find the large reserves. Effective artificial stimulation of domestic manganese production would merely serve to deplete the already limited reserves, very possibly to the point where the next emergency would find the country practically bare.

Then Doctor Leith's attention was called to these recently developed or discovered processes of beneficiation; and after a considerable amount of discussion he summed up the matter in this way:

All this discussion as to the availability of the reserves of the type I have talked about—

He had been talking about the Cuyuna Range, and showed, for example, that if all the manganese ore that was available from beneficiation were taken out and concentrated, it would provide only about 1,000,000 tons of concentrates, or a year and a half's supply. That is that vast Cuyuna deposit that has been talked about so much.

To resume, he said:

All this discussion as to the availability of the reserves of the type I have talked about is based upon the assumption that in some fashion or other beneficiation processes are going to be made successful. The brief of the American Manganese Producers' Association says specifically that eight new processes have been discovered or brought to a stage of commercial development during the period of the tariff, and largely during the last three years. The eight are named.

So far as we know the situation, not one of these has been brought to a stage of continuous commercial operation. There might be an exception for a short period in the process at Butte. There might be one other minor exception, but for a period of years no process has been established. All these processes have been known before, and only one of the list of eight can be regarded as substantially new. That is the Bradley-Fitch process.

We admit that all these processes work in the laboratory, but we claim that there is a very wide gap between that and commercial demonstration, and we do not know of a ton of ore that has been produced commercially by the Bradley-Fitch process or by the flotation process, the two processes which have been brought forward most prominently as solving this situation.

Mr. WHEELER. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Montana?

Mr. REED. I yield to the Senator.

Mr. WHEELER. There is not any question at all in the Senator's mind, I am sure, but that the process that is being used in Butte has not only proved successful in the laboratory but that it is working out in a large way in practice in their mills.

As a matter of fact, Mr. Daly, of the Anaconda Co., went into that matter very carefully before the convention of manganese producers here, and stated that while many of the processes have not worked out after they were taken out of the laboratory, yet in this instance at the present time he could definitely state that they had a process that not only worked out in the laboratory but that was working out in the mill, and that they were not only producing manganese now in large quantities but that they were extending their operations and intended to extend their operations on a large scale, provided this tariff remained on it.

Mr. REED. I think the Senator's summary of that situation in Butte is substantially correct. I put it up to Doctor Leith

when he was before the committee, and this is what he said about it:

Senator REED. Doctor, have you studied the deposits in the Butte neighborhood?

Doctor LEITH. I am fairly familiar with the Butte camp as a whole. I have been there on mining litigation a number of times.

Senator REED. What is the situation there, briefly?

Doctor LEITH. The situation there, briefly, is this: There exists a carbonate ore which runs from 30 to 35 per cent manganese, and which, by roasting, could be brought to well above 50 per cent—perhaps 55 or 60 per cent, or something like that. In roasting, the silica, which is fairly low in the raw material, is also brought up and concentrated. So it has developed a problem of the separation out of the silica. The silica, under those conditions, has been a little too high for the ordinary commercial practice, and the ore has been penalized on that basis. They are trying to get around that, in the first place, by selective mining, selecting the ore in the first place with low silica, and, secondly, with a modification of the process. It can be done in the laboratory beyond any question. So far as I know, the process, in itself, has not been commercially established.

I do not mean to say that it has not been done physically, but it has not been demonstrated, through a series of years, that the addition of this expense of taking out the silica has been settled commercially, and that all the carbonate ores of Butte, therefore, would be made available.

Senator REED. Suppose it were. What would be the result?

Doctor LEITH. Assuming that it were solved—and there again we hope it will be solved—there comes the question as to the amount of carbonate ore available. Taking the estimates which have been furnished by the different groups, some of which have been presented in hearings before Congress, and some of which I have known from other sources, taking the ore down to the bottom levels of the properties in which this ore has been developed, and giving it very liberal extensions beyond, I think a figure of something like 3,000,000 tons is a pretty large figure for the available carbonate ore in that district, and there again I should hesitate very much to take any business man out there, or any professional colleague, and attempt to show him 3,000,000 tons. But I think it is there. And if the claim is made that more is there, I am willing to concede the possibility.

Three million tons of the low-grade ore means 1,000,000 tons of metallic content of manganese; in other words, about three years' supply at the very utmost. He proceeds further. I will not weary the Senate by reading more of this, but he goes on to say that these deposits are in steep veins, that the ore goes very deep, that the veins are irregular, that they branch and divide, and that the ore is mined more or less as a by-product or afterproduct of the copper and zinc which is mined in adjoining formations. So that in his opinion 3,000,000 tons of the low-grade ore is all that could be looked for from that region.

Mr. President, again I say that if there were a substantial chance of developing this baby industry into an adult I should be in favor of retention of the tariff. The fact that my people in Pennsylvania would have to pay a large part of it would not deter me from following that policy. The same thing was true in regard to synthetic camphor. We did not make that and do not plan to make it in Pennsylvania, and we would have to pay a large part of the duty; but I believe it is justifiable and that it is to the interest of the Nation as a whole to protect industry which has a probability of development to a point of success. I agree perfectly with the reasoning expressed by the Senator from Ohio [Mr. Fess] on that subject; and it is just as true of manganese as it is true of synthetic camphor or tin plate or any other illustration that we may take. But if we can not develop it, if experience has shown that the promises made as a basis of putting the present duty into the law enacted in 1922 have not been kept, if the performance shows that the production of last year is only one-half of what it was three years before, that instead of the baby becoming an adult it is shrinking and becoming puny, then I say that the situation is such that we are not justified in putting on this duty.

Mr. LA FOLLETTE and Mr. NORBECK addressed the Chair. The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. REED. I think the Senator from Wisconsin rose first.

Mr. LA FOLLETTE. That was not the Senator's position in regard to synthetic camphor.

Mr. REED. No, Mr. President, I did not have the good fortune to have the Senator here when I began my reference to that. As my audience has changed a little, perhaps I would be justified in repeating what I said about it.

If this presented the same problem that was presented in the case of synthetic camphor, I should be for the same solution; but here is the difference. In the case of synthetic camphor we had a picture of a German monopoly. Synthetic camphor is made principally out of American turpentine.

We know that we can make it here. There is no secret about the process and no patent on it. We can develop the industry here. We ought to do it and not be subject to the German monopoly that now controls it. The consumers of that product asked us to put a duty on, although it would make their camphor cost them more, because they did not want to be subject to the domination of the foreign monopoly. Those were the considerations that led to our conclusion in favor of a duty in that case.

The manganese industry, on the other hand, as far as the evidence shows me, can not be developed in America. We have a very limited supply. We have an abundance of very low-grade ore, but it costs so much to beneficiate it that it is commercially useless. We tried to encourage the industry by keeping the duty on in 1922, and instead of increasing the proportion of our requirements supplied from domestic sources, they have actually declined.

Three years ago over 90,000 tons of high-grade manganese ore were delivered to the steel works of the country from domestic sources. Last year, in all 45,000 tons came from those same domestic sources. The baby is not growing. That is the trouble.

Mr. LA FOLLETTE. Mr. President, as far as synthetic camphor is concerned, the baby was hardly born yet.

Mr. REED. That is true. But the baby is here, and could begin to produce synthetic camphor in about three weeks, according to their own statement. But I would not depend on the baby's promise itself.

Mr. LA FOLLETTE. After all, however, it is an exceedingly puny baby.

Mr. REED. Surely, it is.

Mr. LA FOLLETTE. We have this difference: That in 1922, so far as synthetic camphor was concerned, there was no production and there has been no production up to this time.

Mr. REED. That is true, but now it looks as though the promise could be fulfilled, and we know it could be, and if we know that about manganese, that would settle the question for me.

Mr. LA FOLLETTE. There are some Senators who believe that a showing can be made for manganese, and even a more optimistic showing than was made in the case of synthetic camphor.

Mr. REED. In that case, Mr. President, I think it is their intellectually honest duty to vote in favor of a duty on manganese, and if I felt that way I should feel compelled to vote for it.

Mr. LA FOLLETTE. I want the Senator to understand that I am not necessarily adopting that view, but that is an argument put forward.

Mr. REED. Some Senators whose sincerity could not be questioned for a moment think that a manganese industry can be developed here on reasonable terms, able to supply manganese to domestic consumers on a reasonable basis, and if they believe that, I think they ought to vote for this amendment, or at least for a continuance of the present duty. If I believed it, I would vote for a continuance of the present duty. But I was impressed by Leith's testimony, I have been very much impressed by the actual performance, and I do not believe it can be done commercially. That is why I take the contrary view.

Mr. WHEELER. But the Senator does know that it is being produced commercially, at least in my State, and that people have invested large sums of money in mills, that they have other mills where they are producing it commercially in the city of Butte and also at Phillipsburg, Mont. They have plants at both places. They are producing it commercially, and they say that if they are given this tariff they will extend their plants and produce much more than they are producing at present.

In the case of the synthetic camphor about which the Senator was speaking, they had not started to produce a particle, as I understand it. Yet the Senator was willing to give them a tariff on the theory that after a while, when they got their plant completed, they would produce.

Mr. REED. Exactly.

Mr. WHEELER. We have the plants completed, not only one plant, but several plants, where people have their money invested, and they are producing manganese for commercial purposes.

Mr. REED. That is true, but the country's requirements are about 50,000 tons a month, and the utmost they have been able to get out in any quantity is about 6,000 tons.

Mr. WHEELER. Yes; but if the Senator will review the history of the production of copper, the production of zinc, and the production of other minerals, he will find that it took much longer in developing the processes in use to-day in con-

nection with those metals than it took to develop this particular process.

Mr. REED. That is what I am wondering about, because during the war we gave oxygen to this industry, and the price went up away out of sight. Anything that was called manganese was tempted into the market then, and in spite of all that stimulation and all the duties have been continued since then, the figures for the very last year, 1928, show that they were able to supply only 6 per cent of the manganese this country needed.

Mr. WHEELER. Yes; but it was because of the stimulation which we gave them during the war that people went to work and uncovered these bodies of low-grade ore and high-grade ore, and started in to discover these processes which they have now found.

Mr. REED. Manganese is just like iron, it is found all over the United States. If we made up a map to show iron deposits, it would have many more black specks on it than appear on the map hanging on the wall of the Senate at this time. But, as everybody knows, there is not 1 in 25 that is worth owning.

Mr. WHEELER. That is true, but there is a lot of this low-grade manganese that can be developed with this low-grade process. I do not think there can be a question of doubt in the mind of anybody who has given any study to the matter.

Mr. REED. I do not doubt that there is a lot of it, but compare it with the country's requirements, I do not think it amounts to a substantial enough proportion to enable us to build up an independent industry.

Mr. NORBECK. Mr. President, will the Senator yield?

Mr. REED. I yield to the Senator from South Dakota.

Mr. NORBECK. I did not hear all the Senator's remarks, but I heard a reference made to a statement on the part of the committee in regard to the quantities available in different sections of the country. I did not hear the Senator say what information he had secured in regard to the deposits in South Dakota.

Mr. REED. I will be glad to answer that. There is a very considerable quantity of manganiferous mineral in South Dakota. It occurs in nodules of manganese ore mixed in with sand. The stuff itself as first taken out in a steam shovel would probably run 1 per cent manganese, and after the sand is sorted away in these nodules perhaps it will run 30 per cent.

They are working on processes of beneficiating that, but nobody yet has been able to make a 50 per cent concentrate out of that stuff that can be sold at the prices prevailing since the war for manganese. You would have to get your price up around \$50 a ton for 50 per cent concentrate before you could make it pay.

Mr. NORBECK. That was not the question I asked the Senator. What I was trying to get at was what he found as to the quantity.

Mr. REED. The quantity is enormous.

Mr. NORBECK. That is the point exactly. I do not want the Senate to get the idea that the quantity in the United States is limited. Professor Savage, a very noted man in his line, made an exhaustive survey of the situation out there, and while I do not know that he went out and solved all the commercial problems and the manufacturing problems, he reported that the quantity was enormous but that it was low-grade ore. Therefore the argument of the Senator from Pennsylvania that the present tariff has not stimulated production has no bearing at all. It misses the point. The present tariff is limited to high-grade ore. This stuff has been on the free list all these years, and you ask why we do not produce when we have had a tariff. We have had no tariff.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REED. The Senator from Idaho had asked me to yield, and I should yield to him first.

Mr. BORAH. If the Senator from Kentucky wants to interrogate the Senator from Pennsylvania on the particular matter which he was discussing, I will wait. I want to ask his opinion about another phase of the matter.

Mr. BARKLEY. I want to ask the Senator from Pennsylvania if it is not true that practically no low-grade ores are being imported into the United States in competition with the low-grade ores produced here?

Mr. REED. There is a good deal of manganiferous ore coming in, but it is bought for its manganese content.

Mr. BARKLEY. That is what I referred to.

Mr. REED. That is, about 115,000 tons last year of ore that ran in the twenties was brought in. It came in on the free list because it had less than 30 per cent manganese content, and that is being used, I think, in making spiegeleisen. It is not a very considerable quantity. The tariff experts at my side say it is used in making manganese pig.

Mr. BORAH. May I ask the Senator from Pennsylvania what revenue this item brought in last year?

Mr. REED. In 1928 the duty collected was \$6,007,000.

Mr. BORAH. The question which I want to present to the Senator is why this item was placed on the free list under those circumstances. The argument of the Senator in regard to the development of the industry might be entirely conclusive upon that question, and yet the question arises in my mind why the raw material going into the manufacture of steel, producing a revenue of \$6,000,000, should be put upon the free list. That phase of it interests me.

Mr. REED. If we regard it as desirable to impose an excise tax of \$6,000,000 on the country's steel production for the purpose of revenue, that is another matter. But it was not from that angle that the committee approached the problem. It means a loss in revenue of \$6,000,000; that is true. That revenue at present is being collected from the consumers of steel in a very unequal proportion. The Senator from New Mexico [Mr. BRATTON] said that it amounted to about 24 cents on a ton of steel. That is true as to a ton of ordinary steel such as we see in a steel-frame building or ordinary rails on a railway. But when we take the special work that we find at a railway frog or crossing or the points that we see in the street-railway switches or crossings, it is a different matter. Senators may have noticed steel of a different color at the point where the rails intersect at two streets. It is a lighter and more silvery shade. The duty on manganese amounts to about \$2 a ton on that kind of material, because there is so much more manganese used in its production. It is a very irregular excise tax if we are going to look at it from that standpoint.

Mr. BORAH. As I see it, free raw materials used by industries engaged in manufacture provide in a sense double protection. They are highly protected in everything that they produce, and they are permitted to have their raw material free. Therefore, it is in a sense a double protection to them. I do not understand why those who are using the raw material should not pay a reasonable revenue tax.

Mr. REED. We have approached the matter from the standpoint of protection. I, myself, have not given very much thought to the question whether particular companies were or were not making money. It was a question whether the manufacture or production of particular articles was prospering in the United States. If the companies are making too much money, let us take away the surplus by taxing them. If that is the trouble, let us approach it directly and take their profits from them; but let us not penalize the working people of the United States by throwing that business to foreign countries instead of giving it to the United States.

Mr. BORAH. It would not throw an ounce of business to a foreign country if we would leave it where it was under the old law. We had a tariff on it under the old law, and it did not have that effect at all. The Senator would not contend for a moment that to continue the imposition of the duty as it was under the old law would have the effect of turning any business to foreign countries?

Mr. REED. Oh, no; not on manganese. I thought the Senator was challenging my general theory upon which a tariff bill should be made. On manganese it does not make a bit of difference what duty may be applied, because 90 per cent of it will be brought in from abroad. If we want to get that revenue from the steel industry in that way, leave the duty on manganese. I think, frankly, the best way to do it is to tax them directly.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Tennessee?

Mr. REED. I yield.

Mr. McKELLAR. The Senator said something about doing business with foreigners. Do not the steel companies own the mines in the foreign countries and do not they themselves bring in the manganese from the foreign countries?

Mr. REED. I am speaking only from a rather vague recollection when I say I think there was a time when the Bethlehem Steel Co. owned manganese mines in Cuba. I do not know whether it still does or not, but nobody gets manganese to any great extent from Cuba. The mines over in the Gold Coast of Africa and in India and in the Province of Georgia in Russia, so far as I know, are not owned to the slightest extent by any American company.

Mr. BORAH. I think they are owned by the foreign companies. Those in Russia I presume are owned by the government.

Mr. REED. As far as anybody can own anything in Russia I presume that is true.

Mr. BORAH. They are doing very well. I would like to suggest to the Senator from Nevada [Mr. ODDIE] and the

Senator from Pennsylvania that if they would leave the duty where it was under the old law and reduce the metallic content to 10 per cent, I think it would be a very practical and fair way in which to dispose of the question.

Mr. REED. It would undoubtedly reach that 115,000 tons of 20 and 25 per cent ore that is being brought in now. It would have that effect. Of course, the people bringing it in or using it would protest, but everybody protests when he has to pay a tax. I think to raise the duty to 1½ cents, which really means about 140 per cent ad valorem on the manganese content, is going pretty strong, especially where expert opinion is divided as to the possibility of creating the industry in the United States. An ad valorem tax of 140 per cent is a pretty stiff tax.

Mr. BORAH. Assuming there is a doubt as to whether the industry can be developed in the United States. Some believe very sincerely from the evidence which has been presented that it can be developed and that manganese can be produced in such quantity as really to supply the American market. I myself do not know.

Mr. REED. I think the difference of opinion is an honest one.

Mr. BORAH. Yes; but I do not see why we should take away the amount of protection which the infant industry receives from levying a reasonable revenue tariff, which is incidental protection. If we reduce the content so that it will reduce the amount which is now coming in, I think it will afford a very reasonable protection, and certainly there is no reason why we should take away the protection entirely from the industry so long as it is merely a question of whether or not it can really be developed.

Mr. REED. If I could believe, as do my friends on the other side of the question, that there was a real chance, not a certainty, but a real chance, of developing the industry, I would vote with them for the 1-cent duty, although it is 88 per cent ad valorem as compared with 140 per cent ad valorem as proposed by the amendment of the Senator from Nevada [Mr. ODDIE]. But I can not believe it. I think the weight of opinion among the experts is against it. I do not believe we will ever develop the industry, but the only effect of the duty is going to be to exhaust all that tiny reserve of high-grade ore that is remaining in the United States. We will need that desperately if we get into another war.

Mr. WALSH of Massachusetts. Mr. President, will the Senator permit an inquiry?

Mr. REED. Certainly.

Mr. WALSH of Massachusetts. Is there any precedent for levying an ad valorem duty of 88 per cent for revenue purposes?

Mr. BORAH. If the Senator will go back to the old Walker tariff, my recollection is that there is a precedent. He will find several. The Walker tariff was a revenue tariff.

Mr. WALSH of Massachusetts. But is there anything in the present law of that character, namely, an ad valorem duty of 80 per cent, for revenue purposes?

Mr. REED. I do not know of anything of the sort.

Mr. BORAH. I do not know of any instance of that sort myself; but I say that in all fairness here is an industry which is seeking to develop. There are those well informed who believe it can be developed successfully. Upon that theory, why should we take away the incidental protection which arises from levying a reasonable revenue tariff? Why turn out of the Treasury of the United States \$6,000,000 a year to those people who are making 168 per cent and thereby making it absolutely impossible for the industry to develop?

Mr. PITTMAN. Mr. President, there seems to be only one question left after the discussion, and that is whether or not there can be a substantial amount of this article produced in the United States. We have come down to that question. All of those whom I have heard opposing the tariff duty have opposed it on the ground that they do not believe there can be any substantial supply produced in the United States. In answer to that I remind Senators that 10 per cent of it is being produced now from one mine in one State. That is one answer right there in itself.

In addition to that, we have deposits of manganese all over the United States. We have, after all of the questions about the great experts who differ with regard to the beneficiation of the product, only the testimony of one man, and the Senator read that. I asked who it was. It was Doctor Leith, a geologist from the University of Wisconsin. It appears that he is a geologist in Wisconsin, who is employed by the steel manufacturers. It appears from his own testimony that he is a stockholder in the Steel Corporation. He is an interested party.

But here is another proposition. If we should attempt to-day to say that only lead mines that have more than a 30 per cent metallic content in the ore shall be used we would have hardly

any lead produced in the United States. If we should say to-day that we would not have any copper deposits in the United States except those that had over 30 per cent copper, we would not have 1 per cent of the copper mines operating here. If we were to say to-day that the commercial zinc mines are only those that run over 30 per cent metallic zinc we would not have 1 per cent of the zinc mines operating in the United States.

In other words, manganese in its crude form is an ore; it is not found in the pure metal anywhere, any more than lead is found, or zinc or copper is found in the pure form. Manganese is found in the rock, and that rock is called ore; that is its native state. Of course, when we talk about 30 per cent manganese ore, we might just as well talk about 30 per cent copper ore or 30 per cent zinc ore. Naturally the deposits in this country or in any other country that carry a metallic content of 30 per cent are unusual. Nature has not deposited minerals in that form. They are not deposited in that form in India or in Africa or in Russia.

There is such a thing as hand-sorting ore. When labor is cheap enough, mind you, the producers can have the laborers reach in and pick out a piece of rock that has not much mineral in it and throw it away. We had to sort gold and silver ores in the West when we had to transport them over 60 miles by wagon team, because we could not afford to ship anything except high-grade ore. However, in the case of manganese ore that runs a 10 per cent metallic content to hire men to reach in and pick out the chunks of rock that apparently have not any manganese in them and throw them away is an operation the cost of which in the United States is prohibitive. That is all there is to it. We can not mine in that way, but they can mine in that way in India. If we could hire miners in the manganese mines at the rate of 1 cent an hour, we could hand sort manganese and concentrate it at 30 per cent ore; but we can not concentrate in this country where we have to pay miners at the rate of \$5 for eight hours' work. The producers can do that in Brazil, they can do it in Africa, and they are doing it, because the labor there is so cheap that the human element amounts to nothing.

Opponents of this duty say that the manganese industry has not grown under the tariff of 1 cent. Of course it has not grown under that tariff, because those who placed the tariff of 1 cent on manganese, and then limited it to ore containing 30 per cent manganese content knew that we could not produce any 30 per cent manganese ore in this country in its raw state.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Nebraska?

Mr. PITTMAN. I yield.

Mr. NORRIS. I am anxious to get the idea of the Senator from Nevada as to what the tariff duty should be. I think there are a great many of us who are impressed with the idea that we can not vote for the pending amendment because we think the rate provided therein is higher than is justified. It is higher than the existing law, being an increase of 50 per cent, as I understand. I am anxious and I think other Senators are anxious to get the idea of the Senator from Nevada. Assuming, to begin with, for the sake of argument, that there should be a tariff on manganese, and that we should reduce the 30 per cent content to a 10 per cent content, or something like that, what rate of tariff ought the industry to have?

Mr. PITTMAN. Mr. President, I will say to the Senator from Nebraska when we take the tariff which we have on lead and on zinc and metals of that kind, it is limited to the zinc content or the lead content above 10 per cent. As I have already stated, the ordinary copper mines of the country never have over 3 per cent of metallic copper in all. It is very rarely that we ever find over 5 or 6 per cent lead in the rock itself. So it is as to zinc. In other words, nature, as is shown by the experience of the ages, has regulated the value of these minerals by the amount found in existence; and it is one of the remarkable things of nature that we find the most iron, and next we find, we will say, lead, and then zinc, then copper or copper and zinc, and so on. But notwithstanding all we have heard about rich mines and bonanza mines, 90 per cent of the mines of the world come very close to the percentage of mineral in the rock. I do not think that the tariff on manganese ore—and that is what this is; it is not on manganese itself, because it is on the content of the rock—would give any protection whatever unless it excluded those characters of ore that come in contact with our ore, and our ordinary ores do not run over 10 per cent manganese content. That is where I would limit it.

Mr. NORRIS. Mr. President, if the Senator from Nevada will permit me, I desire to say that so far as I know there would be no objection to fixing that limitation, which seems to be conceded to be fair, but then we come to the question of what should be the tariff rate.

Mr. PITTMAN. I frankly state that I am far more interested in the part of the amendment of the junior Senator from Nevada [Mr. ODDIE] that deals with the contents of the ore than I am with the rate on the ore. I do not believe it would amount to anything if we should make the duty 100 per cent and limit it to 30 per cent manganese ore, because we have not 30 per cent manganese ore any more than we have 30 per cent lead ore or 30 per cent copper ore. We are dealing with ores. Most Members of the Senate do not know we are dealing with ores. They think we are dealing with metallic manganese. The wording of the bill refers to manganese of which the metallic contents are in excess of 30 per cent.

The metallic contents of what? Of ore, of the thing as it appears in nature; and it does not contain a 30 per cent metallic content except in rare instances. We find gold mines here and there throughout the world that for a short period of time will run a thousand dollars a ton in gold value; but I say that 99 per cent of the gold mines of the world to-day do not run over \$15 a ton in gold. Nature has deposited the mineral in that way.

Mr. MCKELLAR. Mr. President, may I interrupt the Senator from Nevada?

Mr. PITTMAN. I yield to the Senator from Tennessee.

Mr. MCKELLAR. I want to ask the Senator if the limitation as to content were reduced from 30 per cent to 10 per cent and the rate fixed at 1 cent, would that be satisfactory to him?

Mr. PITTMAN. I am going to support the amendment of the junior Senator from Nevada to make the rate 1½ cents. There have been expressions here by Senators who favor maintaining the duty as it is and who realize that the limitation of 30 per cent is destructive of the whole industry. Personally, so far as I am concerned, I should be very happy if the Senate would let the rate stay where it is, although I should like to see the increased duty provided.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Utah?

Mr. PITTMAN. I yield to the Senator from Utah.

Mr. SMOOT. I think it would be better, Mr. President, to fix the limit as to metallic content at 10 per cent and provide a duty of 1 cent a pound straight through, and not add the half cent.

Mr. PITTMAN. I like that better. It would be easier of administration.

Mr. SMOOT. It would be easier of administration; and not only that, but we should know then that the foreign producers could not mix ore abroad and bring it in here at 19¾ per cent and then get 1½ cents a pound.

Mr. PITTMAN. Then, too, it would be in accord with the tariff we have heretofore put on other ores. We do not put a tariff on the metals; we put a tariff on the ores. That is what we are talking about.

Mr. WALSH of Montana. Mr. President, I do not see the Senator from Ohio or the Senator from Pennsylvania in the Chamber. I should like to know what their attitude would be concerning such an amendment as that suggested by the Senator from Utah.

Mr. SMOOT. I understand the Senator from Pennsylvania himself stated that if we are going to make the change he would prefer to have a duty of 1 cent.

Mr. WALSH of Montana. Yes; but I did not understand him to withdraw his opposition.

Mr. SMOOT. I do not know that he has withdrawn his opposition even to that, but there is no doubt that a majority of the Senate is in favor of that.

Mr. WALSH of Montana. Perhaps the Senator from Ohio, now occupying the chair, will signify his views with respect to that.

The PRESIDING OFFICER (Mr. FESS). The Senator from Ohio is not convinced that there ought to be a duty of any sort.

Mr. PITTMAN. Mr. President, I do not think we get unanimous consent for this proposition, but with the attitude taken by the Senator from Utah, who is certainly familiar with this subject, having been on the committee itself, I do not think we will have any trouble in agreeing on that basis. Let the duty stand as it is, but have it apply to the kind of ores produced in this country. That is about all there is to it.

So far as the testimony is concerned, we have the testimony of two men here; that is all. We have the testimony of Mr. Adkerson on the one hand and the testimony of Doctor Leith on the other hand. Let us see how those two men stand: Mr. Adkerson for years was in the Government employ in the Bureau of Mines, where he was engaged in studying this direct question. He then became a member of the Tariff Commission, and, as such, studied this direct question. Later on, in 1927, I think it was, he was appointed by the Tariff Com-

mission to make a study of this particular question, and his evidence is here and it is absolutely contradictory of the evidence of Doctor Leith. He states that there is plenty of ore of a grade in this country that can be beneficiated and that there are processes—and he uses the word "simple"; simple processes—that will beneficiate it.

Doctor Leith, according to Adkerson's testimony, visited the great Cuyuna iron-ore fields and turned those fields down; he said they could not produce iron ore, but they are now producing millions of tons of it.

All of us remember when the cyanide process came in for beneficiating gold and silver ores. Next came the flotation process, which is only a process of segregating the mineral from the rock. In the first place, the cyanide process dissolves the mineral particles in the rock and they drop to the bottom of the tank. Then they took another process by which they put oil in water and agitated it and the oil formed little particles or little floats around which minute pieces of the mineral collected, and the rock would sink to the bottom and the mineral float off the top. We have a mineral flotation process by which the manganese mineral is floated out of the dissolved solution over the top. Adkerson says it is a success; Bradley says it is a success; Fitch says it is a success; Lake, a great geologist, says it is a success.

In answer to them we have this one witness, who was hired by the Steel Institute on behalf of the Steel Corporation, who admitted he is a stockholder in it; and he comes here and says he does not think it is a success. Yet it is a commercial success. He says it is a laboratory success, but not a commercial success; but in the face of that there is a process in Montana that is to-day producing 10 per cent of manganese ore which is used in ferromanganese in the steel industry, and there are numerous other companies ready to start in with that process. Suppose they never produce over 40 per cent or 30 per cent of the quantity used in this country; it is a case in which we have got to give encouragement to them, particularly when the ore coming in competition with the domestic product comes from countries such as India and Africa and Brazil where human labor costs about only 1 cent an hour. It is intolerable to think about it.

Mr. SHORTRIDGE. Mr. President—

Mr. PITTMAN. It is intolerable to think about it. To my mind, the opposition is based upon unintelligent selfishness; that is all.

If there is anything on God's earth that has turned people thoughtlessly, I may say, against tariff duties for protection, it has been the selfish, narrow-minded, unintelligent opposition of those who have been the beneficiaries of this institution from the very beginning against having the production of the raw material considered as an industry in any way whatever. Why, they say to us that this duty taxes the American people to the extent of \$6,000,000. They do not stop to think that they are taxing the American people, under the provisions of the same tariff act, over \$600,000,000 for their profit on steel. That is the comparison.

They say that this industry will employ a few men, while their industry employs a whole lot of men. What difference does that make? The men who are employed get only their four or five dollars a day, the same as the men who are employed in the mines of the West get their four or five dollars a day. They want all the prosperity concentrated in the manufacturing sections. They do not want any opportunity for those who must delve in the mines of this country and on the farms of this country to have their raw materials treated as a legitimate industry of this country. It is that selfishness, that attitude, that has caused some in this Chamber possibly to be actuated by prejudice rather than by reason.

As I have said before, I hope I shall never become prejudiced in this matter. I hope that their selfishness will not breed in me a similar selfishness; and yet I realize that human nature is human nature, and that when you are being unjustly treated it is hard not yourself to go to an unjust extreme. In this case, I think the whole matter could be settled if the junior Senator from Nevada [Mr. ODDIE] would accept that suggestion and let it go.

Mr. WHEELER. Mr. President, the Senator from Pennsylvania [Mr. REED] and some other Members have tried to point out to the Senate that we have made no progress with reference to the production of manganese ore. Let me read from a letter which I received a short time ago from the president of the Butte Copper & Zinc Co., with offices in New York.

The president of this company, Mr. A. J. Seligman, says:

As a resident of Montana from 1860 to 1900 and as a holder of considerable mining interests in the West, I am greatly interested in the mining industry, and especially am I interested in the development of manganese. Therefore I am taking this opportunity to present to you

some facts on the manganese industry, which I trust may be of help to you in case of a fight on the floor of the Senate.

I am the president of the Butte Copper & Zinc Co., of Butte City, Mont. At the time of the armistice we were producing for the benefit of the Government, having entirely discontinued our zinc operations, 500 tons of 38 per cent manganese ore per day, or at the rate of 180,000 tons a year, and, had our mining facilities been adequate, could have greatly increased this. The above was at least one-fifth of the United States' requirements, as I remember it, and refutes absolutely the statement of the steel companies that we can produce only 5 per cent of America's needs. For some time after the war we could not receive a living price for the manganese and could not ship. The Domestic Manganese & Development Co., of Butte, erected a plant to beneficiate the product and bring it up from 38 per cent to 55 per cent or more metallic manganese. After a great deal of trouble, caused by the refusal of the steel companies (who have always sought to throttle us) to offer a decent price, they at last secured contracts which, while very low, enabled them to earn a little money.

Up until the action of the Finance Committee putting manganese on the free list, we were shipping them approximately 350 tons per day, or at the rate of 120,000 tons per year—over 10 per cent of the United States requirements—and we could greatly increase the above if we had the orders. Due to this action we have within the last few days been forced to reduce our shipments to them to approximately 250 tons per day, owing to a contract cancellation they received from one of their customers.

This again refutes the 5 per cent of the steel companies' brief, and you must remember this does not take in Philipsburg, Mont., or any other of the manganese properties in 32 States of the Union nor the beneficiation processes on low-grade manganese and iron ores now going in Minnesota.

I am absolutely convinced that, with a living price for manganese, we could immediately produce from one-fourth to one-half of the requirements of the United States, and in time, with improvements in the beneficiation processes, much more than this. It has been the selfish policy of the steel interests, by refusing to pay a fair price for American manganese, which has kept the production down and not the lack of manganese ore. The steel people carefully refrain from mentioning the additional cost per ton of steel due to the 1-cent tariff. It is extremely small, only 16 cents per ton. The one-half cent increase will mean only 8 cents additional.

The effect of the passage of this measure putting manganese ore on the free list will mean the absolute throttling of this industry. Not a manganese mine in America can operate. Many men will be thrown out of employment, and one of the most vital factors in America's needs in case of trouble (which we trust will never occur) will be destroyed, and could not be placed in shape to help the Nation in time for any benefit. It is a cruel and wanton act, done to satisfy the greed of the steel industries who, while fighting for the removal of the tariff on manganese ore, are at the same time fighting for increased rates on their finished products.

We have shipped, so far, about 250,000 tons of manganese ore, which should refute critics' attacks as to resources, and we have large reserves, both developed and probable, as shown by the reports of the Anaconda engineers. What our one company (one of many) has done, is doing, and can do, should of itself utterly disprove the statements made in the steel company's brief as to American manganese production.

I certainly hope that this iniquitous action of the Finance Committee will be defeated on the floor of the Senate.

If you desire further information, will be pleased to furnish same.

Very sincerely yours,

A. J. SELIGMAN,
President Butte Copper & Zinc Co.

Mr. President, all of us who live in mining sections know that mining engineers and experts can be obtained to testify on either side of almost any proposition, but the fact remains that here are men who are actually producing manganese, and they themselves tell us exactly what they are doing and what they can do if they are given this tariff.

I have in my hand the statement that was made at the Second Annual Convention of the American Manganese Producers' Association by Mr. John H. Cole. Mr. Cole represents the Domestic Manganese & Development Co., of Butte. He said:

On February 15 of this year we started one of our kilns and since that time we have been operating continuously. For the past six weeks we have been in full production with a 2-kiln operation and sincerely hope to continue at this rate for the remainder of the year. Since February 15 of this year we have shipped 19,000 tons, and if nothing unforeseen happens, our total production for this year will be 43,000 tons. However, we are equipped to produce and to ship 70,000 to 75,000 tons per year of manganese ore, which will analyze 56 per cent manganese and higher, provided a market can be secured.

I was interested in reading recently of a contract which it is reported was signed by the United States Steel Corporation with the Russian Government for what was considered by the newspapers as a tremendous

tonnage of ore. It might interest you, gentlemen, to know that I am confident that if given a firm contract, a fair price, and the protection of a tariff, we could fill the minimum requirements of this contract with our present equipment, and we could fill the maximum of this contract upon three months' notice.

Mr. President, there is the president of another manganese concern who states unequivocally that he can now produce the minimum amount required by the contract that was supposed to have been signed, and that upon three months' notice he could produce the maximum amount.

It is important to state, on no less authority than the Anaconda Copper Mining Co., that a successful flotation process has been worked out which promises applicable to the low-grade carbonate ores, which process will allow us to offer to the American market a product containing more than 60 per cent manganese and less than 7 per cent silica, with the added result of increasing many times the known reserve of carbonate ores in this district.

With the high freight rate from Montana to the consuming centers of the East, the tariff makes the difference between our success and failure. The situation which confronts us at the present time in Washington, with our product on the free list, is a serious one indeed, and it does not take an expert to figure the way our business will go. This state of affairs must change if we are allowed to operate after our present contracts are filled, and I for one have every confidence that justice will prevail and the protection requested in Senator ODDIE'S amendment will be forthcoming.

Mr. President, I am only going to call the attention of the Senate to these two, as the statement of Mr. Daly, of the Anaconda Co., has already been put in the Record, and likewise statements from other producers in Montana. There is not a question of a doubt in my mind but that if the manganese producers of this country could be given the tariff they desire they would be able in a very short time to supply the needs of American industry.

Mr. BLAINE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Montana yield to the Senator from Wisconsin?

Mr. WHEELER. I shall be glad to yield.

Mr. BLAINE. As I understand the proposition, the protection desired is protection for low-grade ore—

Mr. WHEELER. Yes; that is true; but they desire it on the higher grades also.

Mr. BLAINE. That being the only manganese production there is in this country, the idea is to give protection to the domestic production. Why should not that be done without at the same time increasing the tariff on the manganese ore that is not produced in this country?

Mr. WHEELER. There is some high-grade manganese produced in this country.

Mr. BLAINE. But that is not the main supply. That is a very limited thing.

Mr. WHEELER. Yes.

Mr. BLAINE. Have we not the same proposition with respect to zinc? The producers of zinc, as I understand, do not ask for an increased tariff on the high-grade ore. What they are asking is an increased tariff on the low-grade ore, of which there are quantities in America yet unproduced. Have we not exactly the same situation, and do not the same reasons apply to the two propositions?

Mr. WHEELER. The American producers of manganese, of course, would like the cent-and-a-half duty on high-grade manganese; but I think I am stating the matter correctly when I say that they would be more interested in seeing a tariff placed on the low-grade manganese than they would in seeing it raised upon the high-grade manganese.

Mr. BLAINE. If I may ask the Senator another question, is there any justification for an increased tariff on the higher grade? The idea is to protect the industry that we have and that we can develop, and that is the low-grade ore industry.

Mr. WHEELER. I am not an engineer, and I should have to take the word of the men who produce the material and who have written to me with reference to it. As I say, they all of course have asked for a tariff of 1½ cents, as proposed in the amendment of the Senator from Nevada [Mr. ODDIE].

Mr. TYDINGS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Maryland?

Mr. WHEELER. I do.

Mr. TYDINGS. What percentage of the ore imported is low-grade manganese, and what percentage of the ore imported is higher grade?

Mr. WHEELER. I would not be able to give the Senator those figures offhand. Possibly some other Senator can.

Mr. WALSH of Montana. Mr. President—
The PRESIDING OFFICER. Does the Senator from Montana yield to his colleague?

Mr. WHEELER. I do.

Mr. WALSH of Montana. I am able to give the information as to the low-grade ore. One hundred thousand tons of ore carrying manganese were admitted free last year.

Mr. TYDINGS. What proportion is that of the whole?

Mr. WALSH of Montana. The total consumption is about 800,000 tons.

Mr. TYDINGS. The reason why I asked the question is that I think there is no doubt in the world that the manganese people are at least entitled to protection on the low-grade ore which they are now mining and in position to furnish. I am not enough of a chemist or metallurgist to know whether or not, if the higher-grade ore were excluded through a tariff the low-grade ore would be of such a quality as to take its place.

Mr. WHEELER. Of course, the big bulk of the ore, as I understand it, coming into the country, is more or less low-grade ore, and comes in competition with the American manganese.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. There being an importation of 600,000 tons altogether, and only 100,000 of the low-grade, that constitutes only about one-sixth of the total imports.

Mr. WHEELER. It does not make any particular difference, as I see it, how much high grade is imported or how much low grade is imported, because of the fact that after it is beneficiated it all becomes high-grade ore. The reason why they want this tariff down below the 30 per cent, as I understand, is that they are shipping it in under 30 per cent, just under 30 per cent, or mixing it with something else so as to get it in under that schedule. I do not know that it is necessary to mix it, but they are doing it.

Mr. BARKLEY. Any ore that comes in with less than 30 per cent manganese content comes in free of duty, under the law.

Mr. WHEELER. Yes.

Mr. BARKLEY. The only object of mixing it would be—

Mr. WHEELER. To lower the grade.

Mr. BARKLEY. To lower the grade and get it in free, but I imagine that the process of mixing in order to cheat the Government would cost as much as the saving in tariff.

Mr. WHEELER. No; it would not cost particularly, because they would not have to mix the poorest grade. They would only have to knock down a lot more rock and bring it in.

Mr. TYDINGS. Mr. President, as I understand it, it does not make any difference whether it is high grade or low grade, the quality of manganese derived from the ore in America is the same as the quality of manganese derived from the foreign ore.

Mr. WHEELER. That is correct; that is, after it has been put through different processes.

Mr. TYDINGS. After it has been processed.

Mr. WHEELER. Yes.

Mr. TYDINGS. So that the ore produced in America, after it is processed, is just as good for the uses of the steel industry as the product which is imported, except that the foreign product is richer.

Mr. WHEELER. There is no question about it at all.

Mr. BARKLEY. Mr. President, if the Senator will yield there, I will state that one or two of the witnesses who testified before the subcommittee on that point directly disputed that statement, and said that, tariff or no tariff, for purposes of certain kinds of steel, they were required to use the imported manganese because of its quality.

Mr. WHEELER. There is not a particle of truth in that statement, in my judgment, and I think every producer of manganese in this country, and everybody who knows anything about manganese in this country, would testify that American manganese, after it has been beneficiated, and after you get it up to a certain percentage, is just as good manganese as any manganese that is produced in any country in the world.

Mr. BARKLEY. That did not prove to be true during the war, when the American manganese was bringing five times the normal price for it, because of the reduction of imports. There were many complaints as to the quality of steel that was being produced on account of the inferior quality of manganese.

Mr. WHEELER. I think manganese is manganese, regardless of where it is produced, just the same as gold is gold, or silver is silver, or iron is iron. Of course, some manganese may be better for one thing than another, but generally speaking, our manganese is as well suited for sweetening steel as any other.

Mr. TYDINGS. Mr. President, what I would like to know from the Senator from Kentucky; if I might ask in the time of

the Senator from Montana, is what percentage of this high-grade manganese that can not be mined in America comes in each year?

Mr. BARKLEY. I am not able to give the proportion because the witness on the stand did not testify as to that. He said for their purposes they would have to have the imported manganese, regardless of what we did with the tariff.

Mr. TYDINGS. What I would like to know is, if there is a certain kind of manganese, very rich manganese, what percentage of manganese of that character is needed in the steel business?

Mr. BARKLEY. Of course, there are other minerals in all this ore besides manganese. There is a certain quantity of silica—

Mr. TYDINGS. Yes; but I am referring to manganese.

Mr. BARKLEY. There is a certain amount of silica in the ore, and the quality of it depends on the amount of silica and other extraneous products contained in it, and also the cost of processing the raw ore depends a good deal on the amount of silica and other extraneous matter which has to be eradicated.

Mr. TYDINGS. I do not think the statement of that steel man was altogether fair. If he said there were certain kinds of steel in the production of which a very rich manganese was demanded, he certainly should have shown the proportion of the manganese imported was represented by that character of manganese.

Mr. BARKLEY. It was not necessarily incumbent upon him to state that. If he were telling the truth—and I have no reason to doubt it—without regard to a tariff on manganese, for the purposes of his particular institution, they would be required to import manganese. I do not know how much of the total he uses.

Mr. TYDINGS. I hardly think his statement was fair.

Mr. BARKLEY. The Senator will have to give it such credit as it is entitled to.

Mr. TYDINGS. We are here to pass a tariff bill. We could let the kind of manganese we could not produce in America come in free of duty. Unless the man will specify the kind of manganese to which he refers we must consider manganese as a whole, but if he comes here and says that there are certain kinds of manganese which we can not produce in America, he certainly ought to state to what extent it is needed and what the definition of that manganese is, in order that we can take care of our western deposits.

Mr. PITTMAN rose.

Mr. WHEELER. Mr. President, I am going to yield the floor in just a moment. I ask to have inserted in the RECORD a telegram which I received from Leslie L. Savage in connection with this manganese item.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

TUCSON, ARIZ., October 29, 1929.

Hon. BURTON K. WHEELER,

United States Senate, Washington, D. C.:

Senior Buck's brief states but 5 per cent of 850,000 tons annual requirements come from domestic manganese ores. Commerce Department shows 40 per cent of importations from Russia. Forty per cent of 95 per cent of 850,000, or 323,000 tons. I understand that Bethlehem make an absolutely net profit of more than \$10 on each ton so imported through its manufacture into and sale of ferro; that this profit is in addition to Leonard Buck's profit on each ton imported. We wonder if son, Leonard Buck, under examination might divulge pertinent information or if his corporation's income-tax statement might shed further light in view of their claim that the existing duty cost steel companies some eight million a year.

LESLIE L. SAVAGE.

Mr. WHEELER. Mr. President, in concluding I want to say that, however this tariff may affect other States, if the tariff is taken off this item, it certainly is going to shut down some of the industries in Montana, and some of the industries outside of my State, and it is going to throw out of employment a lot of men.

A few days ago the Senator from Pennsylvania [Mr. REED] stood in his place and reprimanded the so-called coalition because of the fact that we were not interested in the laboring man. These mills in the city of Butte, and at other places in the State of Montana, are employing a large number of men. If the tariff is taken off manganese, it will throw them out of employment without a question of doubt. The Steel Trust, which does have to buy this product, is going over to Russia and doing the identical thing the Senator from Pennsylvania complained about Mr. Ford doing when he was taking his plants to some other country and giving employment to men in Ireland and in Germany and in some other place.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BLACK. I want to ask the Senator when these mines started in operation; was it since the tariff act of 1922 was enacted?

Mr. WHEELER. Some of them were started during the war; most of them were started during the war. After the war most of them closed down, and after the tariff act came into operation they started up.

Mr. BLACK. They did cease operating after the war?

Mr. WHEELER. They practically ceased completely after the war. I think perhaps a few miners were employed there, but the great bulk of them had to stop.

Mr. WALSH of Montana. Mr. President, let me remind my colleague that in Phillipsburg a very high grade of manganese is produced, sometimes referred to as "chemical manganese," which is used in dry batteries.

Mr. WHEELER. Yes.

Mr. WALSH of Montana. That commands a price about three times the price of the ordinary manganese, and those mines were operated to some extent after the war, and prior to the enactment of the act of 1922.

Mr. BARKLEY. Mr. President, to what extent does the Anaconda Copper Co. own these manganese ores in Montana?

Mr. WHEELER. They do not own any of them in Phillipsburg. My understanding is—I am not sure about it—that in Phillipsburg the Anaconda Co. does not own any of them at all. In Butte they do not own the Butte Copper & Zinc Co. They do own mines in the city of Butte, and the Anaconda Co. does produce manganese in their mines.

Mr. BARKLEY. I am led to ask that question because of the fact that recently the organization of American Manganese Producers, who have been quite active in lobbying here for this tariff, gave a banquet here in the city of Washington to which we were all invited. I did not accept the invitation, or attend. A newspaper made the statement that all of the expenses of this organization which was maintained here in Washington, including the banquet referred to, were being met by the Anaconda Copper Co., and also by the New Jersey Zinc Co., which is interested in spiegeleisen, because of the hope that if manganese were given a tariff so high that it would limit or restrict or prohibit importations, spiegeleisen, which it manufactured, would be used as a substitute for manganese.

Mr. WHEELER. I think that the statement made by the Senator is entirely erroneous, although I am not in close enough touch with the American manganese people to be able to give him the information. I think I can say that there is not anything in what the Senator says.

Mr. BARKLEY. It was a matter of common rumor at the time of this occurrence.

Mr. WHEELER. I do not know about it.

Mr. BARKLEY. A Baltimore newspaper, I think, carried quite a story to the effect that this was all being cooked up by the Anaconda Copper Co., assisted by the New Jersey Zinc Co.

Mr. ASHURST. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arizona?

Mr. WHEELER. I yield.

Mr. ASHURST. I happened to preside as toastmaster at the banquet to which the Senator refers.

I am surprised that the able Senator from Kentucky would try to draw a red herring across the trail made by the steel interests. The Senator may not be doing it wittingly, but if in his efforts to defeat the tariff on manganese, he succeeds, peons of praise will go up from the steel interests, whose profits are enormous. They are willing to accept gratuities from the Government in the way of a high protective tariff, but when that same law is invoked to grant the miners of this country an opportunity to share in a modest way in the bounties, they object. I repel the insinuation that Mr. Daly or the Anaconda Mining Co.—so far as I know—had anything to do with the expenses of the banquet.

Mr. BARKLEY. That statement was made in some of the newspapers, and it was common rumor here at the time it occurred.

I absolve the Senator from Arizona of ever trying to draw a red herring across anybody's trail, but whenever he suggests that I am rushing to the defense of the steel interests I offer only the evidence of yesterday's proceedings in this body, where I led the fight, in my feeble way, to reduce the tariff on pig iron out of which the steel interests make large profits, at least to that extent. I am not actuated by any prejudice either in favor of or against the steel interests.

As I said in the very beginning, I am actuated in my position on this manganese item by its own position, independent eco-

nomically and as a matter of just deserts. I am not concerned about its effect on steel.

I will not resent the Senator's resentment at my hasty flying to the relief of the Steel Trust.

Mr. ASHURST. I said the Senator did it unwittingly if he did it.

Mr. BARKLEY. I do not think I am doing it.

Mr. ASHURST. Let me at this point commend the fight the Senator made yesterday. I sat behind him and I was proud to follow his leadership. But I do not like to follow a leader who goes only halfway. I do not like to follow a leader who goes halfway and, when the shots fall hard and fast and thick, begins to beat a retreat.

Mr. BARKLEY. I am not posing as a leader, I will say to the Senator from Arizona. But as to every item in this tariff bill I vote for or against, I will vote as a matter of principle, and I am not actuated now, and I will not be actuated hereafter, by the question of whether I have in my State a few bucketfuls of the material on which we are about to act in reference to the tariff.

Mr. ASHURST. The Senator then does not refer to Arizona, because we have more than a few bucketfuls. Arizona can supply not only bucketfuls—

SEVERAL SENATORS. Carloads.

Mr. ASHURST. Trainloads. If the steel interests will keep hands off, the manganese industry will prosper.

Mr. BARKLEY. I thank the Senator for his commendation, but I will say that if the Steel Trust ever had its grip on the manganese industry it was when we put a tariff on it six or seven years ago, undertaking by law to take the grip of the Steel Trust off of the manganese industry. But we find that during those seven years domestic production has gradually gone down and importations have gradually increased, because, as I believe, we are utterly incapable by any process either now or hereafter of producing even 20 per cent of the amount of manganese we need. Even during the war, when there was no manganese coming in to speak of by reason of the limitation on shipping and by virtue of war conditions, when the price was five times as much as it was anywhere else in the world, either before or since, we were able to produce only 20 per cent of our domestic consumption; so how can we hope in the future to increase it?

Mr. TYDINGS. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state the point of order.

Mr. TYDINGS. There is so much confusion in the Chamber we can not hear what the Senator from Arizona and the Senator from Kentucky are saying. [Laughter.]

The VICE PRESIDENT. The Senator from Montana has the floor.

Mr. WHEELER. As to what the Senator from Kentucky charged with reference to a banquet over which the Senator from Arizona presided I have no knowledge.

Mr. BARKLEY. I did not make the charge.

Mr. WHEELER. It was an unfair insinuation, in my judgment.

Mr. BARKLEY. If it was unfair, it was the public press and not myself that was unfair. I simply asked the Senator if it was true. If the Senator says it was not true, I accept his word.

Mr. WHEELER. I am saying to the Senator from Kentucky that I have not any knowledge with reference to it. I am quite confident that it was not true, because I did not hear the rumor which the Senator said was current around the Capitol, and I do not know of anyone else who heard it except the Senator from Kentucky. But I certainly hope that the Senator from Kentucky does not believe, because of the fact that the Anaconda Co. was interested in it, that it would be any reason why I would be in favor of it. That has not been in accord with my actions in the past. I do not think they would give me credit for going out of my way to do something for them which I did not think was fair to the country generally.

Mr. BARKLEY. With that statement I am in entire accord. There is no man on the floor of the Senate for whom I have greater respect than the Senator from Montana, or for whose political and intellectual integrity I have a higher regard. I did not mean to insinuate in any way that the Senator could be actuated by any such facts. I merely inquired of the Senator whether the rumor or the statements of the press were true in order that we might weigh the question of whether their interest was selfish or otherwise.

Mr. WHEELER. Let me say to the Senator from Kentucky that neither the Anaconda Co. nor any of their representatives have ever urged me to vote for a tariff on manganese. There has

been an organization here headed by Mr. Adkerson. I think he visited my office on at least two different occasions. But the people who have taken it up with me have been the miners of Montana, the president of the Butte Copper & Zinc Co., which, I understand, has no connection with the Anaconda Co. Another concern over at Phillipsburg has written to me in connection with it. People in the State of Virginia have written to me about it. People in the State of Massachusetts have written to me about it. The only reason why I have taken an interest in it is because of the fact that I feel they are entitled to a tariff if any tariff on anything is ever justifiable.

Mr. ODDIE. Mr. President, I have discussed the situation with Senators on both sides of the Chamber. I have discussed the rates with a number of Senators and I am of the opinion, after studying the matter carefully, that a change in percentage of content will be more advantageous than an increase in the rate and will stand a better chance of being adopted by the Senate. Therefore I ask permission to withdraw my amendment.

The VICE PRESIDENT. Without objection, the Senator from Nevada withdraws his amendment.

Mr. ODDIE. I now move to perfect the text on page 56, paragraph 302, line 23, by striking out "thirty" and inserting "ten," so that the paragraph would read:

Manganese ore or concentrates containing in excess of 10 per cent of metallic manganese, 1 cent per pound on metallic manganese contained therein.

Mr. NORRIS. Mr. President, I have two tables here which I want to have inserted in the RECORD, with an introductory explanation in each case, made by Mr. H. E. Miles, who is president of the Fair Tariff League. First, I ask to insert as a part of my remarks the preliminary article prefacing the table entitled "What the Pennsylvania Manufacturers Get from the Tariff," and the accompanying table.

The table contains a list of 64 articles included in the tariff and an analysis somewhat in detail showing the rate under existing law and the rate proposed by the Senate Finance Committee, giving in each case the cost to the consumer.

The VICE PRESIDENT. Without objection, it is so ordered. The statement and table are as follows:

WHAT PENNSYLVANIA MANUFACTURERS GET FROM THE TARIFF

(Fair Tariff League, H. E. Miles, chairman)

WASHINGTON, D. C., October 31, 1929.

Pennsylvania manufacturers gain annually from the present tariff \$1,376,000,000. This costs consumers at retail approximately \$2,752,000,000.

During the seven years' life of the present tariff it has given Pennsylvania manufacturers \$4,991,000,000, costing consumers approximately \$10,000,000,000.

To take an example, Pennsylvania steel makers charged \$2.80 to-day per hundred for steel bars, against \$1.21 in continental Europe, or two and one-third times as much. They charge 57 per cent more than England's price, which is \$1.79.

For 25 years, ever since their consolidations, our steel makers have made us pay for our steel as if it were made in Europe and had paid ocean freight and all the tariff.

The net income of one Pennsylvania steel company for the three months ending September 1 last were \$53,354,320. This shows whether the tariff is for the workingman or for his employers.

The steel tariff has cost the public many billions of dollars over and above honest protection. Pennsylvania has gotten the bulk of the tariff profit.

Using precisely the same methods as the Senate Finance Committee does in computing tariff rates and having the computations made by one of the most capable men in this field in the Government employ, we find that upon Pennsylvania products, free and dutiable combined, the average tariff rate in Pennsylvania's 62 principal industries as listed in the census is 19.5 per cent, which the Senate bill increases to 22.7 per cent.

The dutiable products only carry an average rate of 21.1 per cent, which the Senate bill lifts to 24.6 per cent.

The per cent of factory wages to factory selling prices is only 19.2 per cent.

The average rate on women's clothing is 64.2 per cent, which the Senate bill raises to 71.6 per cent.

On woolen goods the Senate lifts the rate from 52 per cent to 69 per cent. On glass, from 54 per cent to 69 per cent. On shirts, from 37.5 per cent to 51.5 per cent.

For 60 years the tariff has been written by the manufacturers of the Northeastern States at the expense of the rest of the country.

New Jersey gets \$713,000,000 out of the tariff, costing consumers \$1,426,000,000. Massachusetts gets more than New Jersey. New York gets more than Pennsylvania.

What some collect others must pay. The farm States of the West and South are bled white. Very careful calculations show that—

Wisconsin losses	\$129,000,000
Kansas losses	83,000,000
Nebraska losses	65,000,000
Minnesota losses	123,000,000
South Dakota losses	31,000,000
Iowa losses	119,000,000

And look at the South:

Georgia losses	109,000,000
Texas losses	165,000,000

This is sectionalism of the worst sort, pocket picking inside the family—the East befooling the West and South with fancy talk and legalized robbery, and it befools legislation.

As said the Supreme Court of the United States: "To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprise and build up favorite fortunes is none the less robbery because it is done under the forms of law and is called taxation."

It is doubtful if the Nation ever had a newly awakened sentiment in a legislative body more necessary and hopeful than the Senate coalition of to-day, which is more determined every hour to make the tariff honest and equitable.

What the tariff gives her manufacturers—To be added to their prices as far as possible

In 62 industries, 86.4 per cent of the State's total production	\$1,186,000,000
All industries, assuming same rates for remaining 13.6 per cent	1,376,000,000
Cost to consumers if added to prices	2,752,000,000

Senate bill:

On above 86.4 per cent of production	1,381,000,000
On total production	1,601,000,000
To cost consumers	3,202,000,000

Senate increase	225,000,000
Costing consumers	450,000,000

The responsibility of Congress in voting these sums is the same, whether the grants are added to prices in full or less.

Free and dutiable average tariff rate	19.5	Senate bill	22.7
Dutiable only	21.1	Senate bill	24.6

Per cent of wages to factory selling prices, 19.2.

Of 62 industries only 4 are unprotected—petroleum refining, coke, newspapers, and cement.

President Grundy, Pennsylvania Manufacturers Association, in a recent campaign: "Pennsylvanians! Because you have enjoyed much, you must contribute liberally in substance and energy." They contributed liberally, and now, with the Finance Committee's backing, they demand the "enjoyment" of an additional \$225,000,000 per annum.

Pennsylvania: Sixty-three industries (86½ per cent of total production)

(Basis: Census 1919, act 1922, Senate bill, Finance Committee's "Comparison of Rates," and identical method when not in Senate's "Comparison")

Order of magnitude	Industry	Number of establishments	Value of products		Tariff rates ad valorem equivalents 1928 imports		Protection to manufacturers		Cost to consumers	
			Census 1919	Act of 1922	Senate bill	Act of 1922	Senate bill	Act of 1922	Senate bill	
1	Iron and steel: Steel works and rolling mills	198	\$1,296,492,000	22.4	25.3	237	268	474	536	
2	Foundry and machine shop products	1,267	366,383,000	35.0	40.0	95	109	190	218	
3	Iron and steel (blast furnaces): Pig iron, not alloyed		311,080,000	6.3	8.8	18	25	36	52	
	Ferroalloys (see ferroalloys)		0	38.3	19.7	0	0	0	0	
	Total	58	311,080,000			18	26	36	52	
4	Shipbuilding, including boat building	28	237,325,000	22.4	25.3	43	49	86	98	
5	Silk goods, including throwsters	373	231,711,000	55.9	62.2	83	92	166	184	
6	Cars and general shop construction and repairs, steam railroad companies	195	231,534,000	29.4	31.1	53	56	106	112	
7	Leather, tanned, curried, and finished	92	211,389,000	.6	16.8	1	35	2	70	
8	Knit goods: Gloves		2,621,000	69.8	32.4	1	1+	2	2+	
	Other knit goods		185,640,000	88.6	59.5	69	69	138	138	
	Total	606	188,261,000			70	70+	140	140+	
9	Petroleum, refining	53	178,826,000	Free.	Free.	0	0	0	0	
10	Cars, steam railroad, not including operation of steam railroad companies	15	146,879,000	36.6	39.1	39	42	78	84	
12	Bread and bakery products: Bread (yeast, leavened) ¹		66,440,000	Free.	Free.	0	0	0	0	
	Other bakery products ¹		66,440,000	30.0	30.0	15	15	30	30	
	Total	2,651	132,880,000			15	15	30	30	
13	Electrical machinery, apparatus and supplies, except lamps		131,424,000	31.2	30.1	31	30	62	60	
	Lamps, incandescent		1,250,000	20.0	48.4	.2	.5	.4	1	
	Total	129	132,674,000			31	30.5	62	61	
15	Coke, not including gas-house coke	123	119,731,000	Free.	Free.	0	0	0	0	
16	Worsted goods	89	118,475,000	51.9	69.4	40	54	80	108	
17	Printing and publishing, newspapers and periodicals	963	106,667,000	Free.	Free.	0	0	0	0	
18	Tobacco, cigars, and cigarettes	1,595	98,371,000	27.9	27.9	21	21	42	42	
19	Glass	102	80,450,000	53.9	69.5	28	36	56	72	
20	Structural ironwork, not made in steel works or rolling mills	145	79,306,000	25.1	34.0	16	21	32	42	
21	Clothing, women's	615	77,474,000	64.2	71.6	30	34	60	68	
22	Chemicals	56	73,333,000	23.1	26.8	14	16	28	32	
23	Clothing, men's	602	73,170,000	55.6	57.0	26	27	52	54	
24	Confectionery and ice cream	839	71,120,000	40.0	40.0	20	20	40	40	
25	Flour-mill and grist-mill products	1,138	69,446,000	8.3	10.2	5	7	10	14	
26	Automobiles: Motor trucks and busses ¹		30,821,000	25.0	25.0	6	6	12	12	
	Passenger cars ¹		37,670,000	25.0	10.0	8	3	16	6	
	Total	25	68,491,000			14	9	28	18	
27	Cotton goods	118	66,404,000	34.4	44.1	17	22	34	44	
28	Boots and shoes, not including rubber boots and shoes	128	65,412,000	1.9	20.7	1	13	2	26	
29	Paper and wood pulp: Wood pulp		2,566,000	Free.	Free.	0	0	0	0	
	Paper		62,150,000	33.0	38.1	15	17	30	34	
	Total	56	64,716,000			15	17	30	34	

¹Not separately stated; estimated in proportion of magnitude in national production.

Pennsylvania: Sixty-three industries (86½ per cent of total production)—Continued

Order of magnitude	Industry	Number of establishments	Value of products		Tariff rates ad valorem equivalents 1928 imports		Protection to manufacturers		Cost to consumers	
			Census 1919	Act of 1922	Senate bill	Act of 1922	Senate bill	Act of 1922	Senate bill	
										Dollars
30	Liquors, malt.....	166	59,332,000	59.1	59.1	22	22	44	44	
31	Tin plate and terne plate.....	11	58,816,000	12.4	12.4	7	7	14	14	
32	Cement.....	22	54,540,000	Free.	22.5	0	10	0	20	
33	Engines, steam, gas, and water.....	34	52,574,000	20.3	22.1	9	10	18	20	
34	Chocolate and cocoa products.....	10	48,660,000	18.5	35.8	8	15	16	30	
35	Woolen goods.....	108	48,240,000	51.9	69.4	17	22	34	44	
36	Carpets and rugs, other than rag.....	48	47,430,000	52.1	51.6	16+	16	32+	32	
37	Printing and publishing, book and job.....	1,289	46,153,000	25.0	25.0	9	9	18	18	
38	Automobile bodies and parts.....	177	45,329,000	25.0	17.5	9	8	18	12	
39	Brick and tile, terra cotta and fire-clay products.....	303	43,842,000	35.7	54.5	12	18	24	36	
40	Dyeing and finishing textiles, exclusive of that done in textile mills.....	163	42,475,000	22.0	27.0	8	9	16	18	
41	Furniture.....	335	42,344,000	34.9	35.5	11-	11+	22-	22+	
42	Iron and steel forgings, not made in steel works or rolling mills.....	48	36,709,000	37.3	44.2	10	12	20	24	
43	Rubber tires, tubes, and rubber goods, n. e. s.....	31	35,792,000	27.7	27.7	8	8	16	16	
44	Paints.....	88	35,748,000	34.0	43.7	9	12	18	24	
45	Lumber planing-mill products, not including planing mills in sawmills.....	538	35,125,000	8	8	3	3	6	6	
46	Brass, bronze, and copper products.....	125	33,496,000	38.5	42.8	9	10	18	20	
47	Gas, illuminating and heating.....	86	31,598,000	30.0	30.0	7	7	14	14	
48	Ferrous alloys.....	10	31,419,000	38.3	19.7	9	4+	18	8+	
49	Condensed milk.....	49	31,029,000	16.9	32.9	5	9	10	18	
50	Steam fittings, and steam and hot-water heating apparatus.....	52	30,725,000	32.5	35.0	8-	8+	16-	16+	
51	Pickles, preserves, and sauces.....	48	26,189,000	37.5	42.6	7	8	14	16	
52	Oil, n. e. s.....	37	25,479,000	29.9	30.5	6	6	12	12	
53	Iron and steel, wrought pipe.....	10	25,479,000	19.6	19.6	4	4	8	8	
54	Lumber and timber products.....	1,334	25,031,000	8	8	2	2	4	4	
55	Shirts.....	216	24,775,000	37.5	51.5	7	9	14	18	
56	Iron and steel, bolts, nuts, washers, and rivets, not made in rolling mills.....	31	23,102,000	15.1	15.1	3	3	6	6	
57	Oilcloth and linoleum, floor.....	5	22,806,000	34.9	38.7	6	7	12	14	
58	Automobile repairing.....	1,359	20,682,000	25.0	17.5	4	3	8	6	
59	Wire.....	11	19,596,000	26.2	26.9	4	4+	8	8+	
60	Food preparations, n. e. s.....	145	19,434,000	18.7	20.2	3	3+	6	6+	
61	Hats, fur-felt.....	20	17,995,000	56.2	60.1	6	7	12	14	
62	Machine tools.....	32	16,797,000	30.0	30.0	4	4	8	8	
63	Soap.....	53	16,063,000	22.4	22.4	3	3	6	6	
64	Copper, tin, and sheet-iron work.....	453	14,824,000	40.0	45.0	4	5	8	10	
Total 62 industries (comprising 86.4 per cent of total production) free and dutiable.....			6,086,628,000	19.5	22.7	1,186	1,381	2,372	2,762	
Other industries.....			972,417,000	19.5	22.7	190	220	380	440	
Grand total, Pennsylvania.....			7,059,045,000	19.5	22.7	1,376	1,601	2,752	3,202	

Slaughtering and meat packing, the fourteenth industry in size, is omitted above. The tariff rates are high, but imports, one-half of 1 per cent of domestic production, do not affect domestic prices.

Sugar is Pennsylvania's eleventh greatest industry. Production \$133,800,000. Duty 72.59 per cent. Senate bill 90.49 per cent. It is omitted from above calculations because Pennsylvania refiners get no advantage from the duty which they either pay to the Government on Cuban imports, or as an addition to prices from our islands.

The sugar duty is of enormous advantage to our inland sugar-beet refiners, whose central association pays \$70,000 annually in its advocacy. It is of little advantage to beet and cane sugar growers who get only \$62,500,000 for their crops as against four times that sum, or \$248,000,000, the cost of the sugar tax to consumers.

Shipbuilding, the fourth industry, is not mentioned in the tariff. It is highly protected by a law preventing the use of foreign ships in coastwise trade. The price of the average domestic ship is 50 per cent higher than foreign built.

Mr. NORRIS. I now ask unanimous consent to insert as a part of my remarks an explanatory note by Mr. Miles followed by a table in reference to Massachusetts. The title of the explanatory preface is "What the Present Tariff Gives Massachusetts Manufacturers."

The table relates to about 70 commodities analyzed in the same way as the 64 commodities are analyzed in the table just placed in the RECORD relating to Pennsylvania. This table is followed by a list of some of the commodities named in the bill giving the tariff rate under existing law and the tariff rate under the proposed Senate Finance Committee amendment, showing in these cases I think without exception an increase. That is followed by a comparison of States, pursuing the same method shown in the other tables, showing the profits given to the several States that are listed here, States well represented on the Finance Committee by the way, and giving the losses sustained by the people of other States. I ask that these tables and statements may be inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The statements and tables are as follows:

WHAT THE PRESENT TARIFF GIVES MASSACHUSETTS MANUFACTURERS (Fair Tariff League, H. E. Miles, chairman) WASHINGTON, D. C., November 2, 1929.

As the following table shows, the present tariff gives Massachusetts manufacturers, to be added to their prices as far as possible, \$814,000,000. Costing consumers, if added to prices, \$1,628,000,000.

The Senate bill would increase this allowance to the manufacturers by \$236,400,000.

To cost consumers \$572,800,000.

If the tariff on boots and shoes and leather products is enacted as recommended in the Senate bill there will be added a further \$20,000,000. Costing consumers \$40,000,000.

Note the statement and figures following the large table. See how far the Nation and its Congress have departed from the honest simplicity

of the father of protection, Alexander Hamilton, how it has come about, and at what cost in money and in honor.

MASSACHUSETTS MANUFACTURERS NOVEMBER 1, 1929.

What the tariff now gives them, to be added to their prices so far as possible

H. E. Miles, chairman; E. X. Ludwig, statistician

In 64 industries only, producing 83.7 per cent of Massachusetts' total manufactures..... \$681,000,000

All industries, assuming same rates for other 16.3 per cent of manufactures..... 814,000,000

Cost to consumers..... 1,628,000,000

Of the 64 industries, only 3 are unprotected—newspapers and periodicals, leather and leather products, and yeast bread.

Senate bill (omitting present free-list products):

On above 83.7 per cent of production..... \$895,600,000

On total production..... 1,050,000,000

Costing consumers..... 2,100,000,000

Senate increase..... 236,400,000

Costing consumers..... 572,800,000

Further Senate increase if proposed new duties on leather and leather products, boots and shoes are enacted..... 20,000,000

Costing consumers..... 40,000,000

The responsibility of Congress in voting any of these benefactions is the same whether the duties are added in full to prices or less than full.

Average tariff rate, dutiable products only, omitting boots and shoes, etc., now free:

Present tariff..... 26.7

Senate bill..... 31.1

Per cent of wages to production..... 19.1

The present duty exceeds the total average wage cost by..... 40.0

The Senate rates exceed the total average wage cost by..... 60.0

If Massachusetts manufacturers do not add their present "bounty" (Alexander Hamilton) of \$814,000,000 to their prices, why do they demand an additional \$236,000,000?

If they add the \$814,000,000 will they not add the \$236,000,000, to cost consumers in all \$2,100,000,000?

Tariff benefits to Massachusetts manufacturers and the cost to consumers

Order of magnitude	Industry	Number of establishments	Domestic production		Tariff ad valorem equivalents		Protection to manufactures		Cost to consumers	
			Census 1919	Act 1922	Act 1922	Senate bill	Act 1922	Senate bill	Act 1922	Senate bill
			Dollars	Per cent	Per cent	Million dollars	Million dollars	Million dollars	Million dollars	
1	Cotton goods.....	191	596,687,000	34.4	44.1	152.7	195.7	305.4	391.4	
2	Boots and shoes, not including rubber boots and shoes:									
	All leather footwear ¹		417,688,000	Free.	20.0	0	69.6	0	139.2	
	Other footwear ¹		24,778,000	35.0	35.0	6.4	6.4	12.8	12.8	
	Total.....	493	442,466,000			6.4	76.0	12.8	152.0	
3	Worsted goods.....	71	237,443,000	51.9	69.4	81.1	108.5	162.2	217.0	
4	Leather, tanned, curried, and finished.....	131	129,595,000	(?)	16.8	0	21.6	0	43.2	
5	Foundry and machine-shop products.....	574	111,853,000	35.0	40.0	29.0	33.1	58.0	66.2	
7	Woolen goods.....	111	105,183,000	51.9	69.4	35.9	48.1	71.8	96.2	
8	Rubber tires, tubes, and rubber goods, not elsewhere specified.....	47	93,377,000	27.7	27.7	20.3	20.3	40.6	40.6	
9	Electrical machinery, apparatus and supplies, except lamps.....		87,239,000	31.2	30.1	20.7	20.0	41.4	40.0	
	Lamps, incandescent.....		4,700,000	20.0	48.4	0.8	1.9	1.6	3.8	
	Total.....	110	91,939,000			21.5	21.9	43.0	43.8	
10	Paper and wood pulp (pulp free).....	78	87,160,000	33.0	36.1	21.6	23.7	43.2	47.4	
11	Boot and shoe cut stock.....	182	86,214,000	Free.	15.3	0	11.4	0	22.8	
12	Dyeing and finishing textiles, exclusive of that done in textile mills.....	62	75,262,000	22.0	27.0	13.6	16.7	27.2	33.4	
13	Confectionery and ice cream.....	278	68,897,000	40.0	40.0	19.7	19.7	39.4	39.4	
14	Bread and bakery products:									
	Bread (yeast leavened) ¹		33,009,000	Free.	Free.	0	0	0	0	
	Other bakery products ¹		33,008,000	30.0	30.0	7.6	7.6	15.2	15.2	
	Total.....	1,309	66,017,000			7.6	7.6	15.2	15.2	
15	Textile machinery and parts.....	116	65,901,000	37.6	37.6	18.0	18.0	36.0	36.0	
16	Knit goods:									
	Gloves.....		63,000	69.8	32.4	0.02	0.01	0.04	0.02	
	Other knit goods.....		52,361,000	58.6	59.5	19.4	19.6	38.8	39.2	
	Total.....	77	52,424,000			19.4	19.6	38.8	39.2	
17	Printing and publishing, newspapers and periodicals.....	412	46,801,000	Free.	Free.	0	0	0	0	
18	Boot and shoe findings.....	254	44,357,000	30.0	31.0	10.2	10.6	20.4	21.2	
19	Boots and shoes, rubber.....	8	44,308,000	25.0	25.0	8.9	8.9	17.8	17.8	
20	Printing and publishing, book and job.....	768	41,627,000	25.0	25.0	8.3	8.3	16.6	16.6	
21	Clothing, men's.....	207	41,475,000	55.6	57.0	14.8	15.2	29.6	30.4	
22	Jewelry:									
	Gold and platinum.....		5,536,000	80.0	80.0	2.5	2.5	5.0	5.0	
	Other jewelry.....		29,281,000	78.2	106.6	12.8	17.5	25.6	35.0	
	Total.....	165	34,817,000			15.3	20.0	30.6	40.0	
23	Silk goods, including throwsters.....	21	34,194,000	55.9	62.2	12.3	13.6	24.6	27.2	
24	Iron and steel, steel works and rolling mills.....	11	30,970,000	22.4	25.3	5.7	6.4	11.4	12.8	
25	Clothing, women's.....	258	30,428,000	64.2	71.6	11.9	13.3	23.8	26.6	
26	Chocolate and cocoa products.....	6	30,327,000	18.5	35.8	4.7	9.2	9.4	18.4	
27	Tools, not elsewhere specified.....	117	29,159,000	46.3	49.1	9.2	9.8	18.4	19.6	
28	Cordage and twine.....	13	28,086,000	8.4	16.5+	2.2	4.3	4.4	8.6	
29	Wire.....	9	24,552,000	26.2	26.9	5.1	5.2	10.2	10.4	
30	Gas, illuminating and heating.....	51	24,231,000	30.0	30.0	5.6	5.6	11.2	11.2	
31	Furniture.....	161	23,689,000	34.9	35.5	6.1	6.2	12.2	12.4	
32	Machine tools.....	46	23,443,000	30.0	30.0	5.4	5.4	10.8	10.8	
33	Cars, and general shop construction and repairs by steam railroad companies.....	14	22,638,000	29.4	31.1	5.1	5.4	10.2	10.8	
34	Cutlery and edge tools.....	51	19,673,000	104.2	110.3	10.0	10.6	20.0	21.2	
35	Soap.....	27	18,730,000	22.4	22.4	3.4	3.4	6.8	6.8	
36	Ordnance and accessories.....	4	18,347,000	40.0	45.0	5.2	5.9	10.4	11.8	
37	Chemicals.....	27	17,305,000	23.1	26.8	3.2	3.8	6.4	7.6	
38	Coffee and spice, roasting and grinding.....	23	16,978,000	19.9	20.0	2.8	2.8	5.6	5.6	
39	Brass, bronze, and copper products.....	72	16,943,000	38.5	42.8	4.7	5.2	9.4	10.4	
40	Motor cycles, bicycles, and parts.....	8	16,000,000	33.2	23.0	4.0	2.8	8.0	5.6	
44	Suspenders, garters, and elastic woven goods.....	29	14,972,000	53.5	53.6	5.2	5.2	10.4	10.4	
47	Belting and hose, rubber.....	3	13,860,000	27.5	27.5	3.0	3.0	6.0	6.0	
48	Carpets and rugs, other than rag.....	10	13,594,000	52.1	51.6	4.7	4.6	9.4	9.2	
49	Paper goods, not elsewhere specified.....	44	13,552,000	32.1	32.6	3.3	3.3	6.6	6.6	
50	Steam fittings and steam and hot-water heating apparatus.....	23	13,473,000	32.5	35.0	3.3	3.6	6.6	7.2	
51	Iron and steel forgings, not made in steel works or rolling mills.....	14	13,299,000	37.3	44.2	3.6	4.3	7.2	8.6	
52	Emery and other abrasive wheels.....	14	13,118,000	20.0	20.0	2.2	2.2	4.4	4.4	
53	Canning and preserving, fish.....	22	12,763,000	21.2	22.0	2.2	2.3	4.4	4.6	
54	Lumber, planing-mill products, not including planing mills connected with sawmills.....	146	12,625,000	19.1	19.1	2.0	2.0	4.0	4.0	
55	Automobiles:									
	Motor trucks and busses ¹		5,647,000	25.0	25.0	1.1	1.1	2.2	2.2	
	Passenger cars ¹		6,901,000	25.0	10.0	1.4	.6	2.8	1.2	
	Total.....	8	12,548,000			2.5	1.7	5.0	3.4	
56	Optical goods.....	29	12,038,000	44.5	48.8	3.7	4.1	7.4	8.2	
57	Tobacco, cigars, and cigarettes.....	262	11,560,000	27.9	27.9	2.5	2.5	5.0	5.0	
58	Envelopes.....	13	10,869,000	36.0	36.0	2.9	2.9	5.8	5.8	
59	Pumps, steam.....	7	10,336,000	30.0	35.0	2.4	2.8	4.8	5.6	
60	Felt goods.....	15	10,286,000	51.1	51.6	3.5	3.5	7.0	7.0	
61	Druggists' preparations.....	24	9,990,000	28.1	27.8	2.2	2.2	4.4	4.4	
62	Food preparations, not elsewhere specified.....	81	9,603,000	18.7	20.2	1.5	1.6	3.0	3.2	
63	Patent medicines and compounds.....	97	9,108,000	57.2	57.2	3.3	3.3	6.6	6.6	
64	Silversmithing and silverware.....	18	8,485,000	59.0	65.0	3.2	3.5	6.4	7.0	
65	Copper, tin, and sheet-iron work.....	137	8,316,000	40.0	45.0	2.4	2.7	4.8	5.4	
66	Cotton, small wares.....	40	8,250,000	55.7	56.0	3.0	3.0	6.0	6.0	
67	Bookbinding and blank-book making.....	94	8,180,000	27.5	27.5	1.8	1.8	3.6	3.6	
68	Mineral and soda waters.....	172	8,177,000	15.2	15.2	1.1	1.1	2.2	2.2	

¹Not separately stated; estimated in proportion of magnitude in national production.
²Almost entirely free.

Tariff benefits to Massachusetts manufacturers, and the cost to consumers—Continued

Order of magnitude	Industry	Number of establishments	Domestic production		Tariff ad valorem equivalents		Protection to manufactures		Cost to consumers	
			Census 1919	Act 1922	Senate bill	Act 1922	Senate bill	Act 1922	Senate bill	
			Dollars	Per cent	Per cent	Million dollars	Million dollars	Million dollars	Million dollars	
69	Musical instruments, pianos.....	14	8,123,000	40.0	40.0	2.3	2.3	4.6	4.6	
70	Fancy articles, not elsewhere specified.....	39	7,932,000	40.0	42.0	2.3	2.3	4.6	4.6	
	Total 64 industries (free and dutiable) (83.7 per cent of total production in State).....		3,264,553,000	20.9	27.4	681.0	895.6	1,362.0	1,791.2	
	Other industries.....		636,391,000	20.9	27.4	133.0	174.4	266.0	348.8	
	Grand total industries (except slaughtering and meat packing).....		3,900,944,000	20.9	27.4	814.0	1,070.0	1,628.0	2,140.0	
	Dutiable only (act 1922) omitting leather products, bread, and newspapers from total 64 industries, and proportionate amount from balance of 16.3 per cent remaining industries.....		3,048,904,000	26.7	31.1	813.9	1,050.4	1,627.8	2,100.8	

Slaughtering and meat packing is omitted from above table because imports are negligible and have no effect on domestic prices. Alexander Hamilton's highest duty (carriages excepted) in America's first tariff was 10 per cent. Note the following duties. Do the pay rolls require them? See last column.

	Act of 1922	Senate bill	Factory sales price going to labor
	Per cent	Per cent	Per cent
The poor woman's jewelry (i. e., other than gold and platinum).....	78.2	106.6	26.4
Cutlery and edge tools, average.....	104.2	110.3
A poor girl's alarm clock.....	132.5	202.5
A cheap pocketknife.....	173.0	222.0
Woolen and worsted goods.....	51.9	69.4	21.0
Knit goods, other than gloves.....	58.6	59.5	23.0
Silk goods (including throwsters).....	55.9	62.2	18.7
Clothing, women's.....	64.2	71.6	19.9
Brass, bronze, and copper products.....	38.5	42.8	17.9
Carpets and rugs, other than rag.....	52.1	51.6	25.2
Silver smithing and silverware.....	59.0	65.0
Optical goods.....	44.5	48.8
Cotton, small wares.....	55.7	56.0	24.2

The schemers who secured these duties thought only of their own profits.

THE GIST OF IT ALL

A contrast by States—Tariff profits and losses

PROFITS	
New Jersey.....	\$813,000,000
Pennsylvania.....	1,393,000,000
Massachusetts.....	814,000,000
Connecticut.....	386,000,000
Rhode Island (preliminary estimate).....	207,000,000
New York (preliminary estimate).....	1,800,000,000
LOSSES	
Nebraska.....	62,956,000
Wisconsin.....	129,000,000
South Dakota.....	30,844,000
Texas.....	177,000,000
Georgia.....	109,783,000
Minnesota.....	123,000,000
Kansas.....	86,225,000
Pennsylvania, farmers only.....	41,662,000
Illinois, farmers only.....	43,440,000
Iowa.....	119,000,000

New York clothiers pass on much of New York's receipts to the textile makers in these other States in the high cost of their materials.

The tariff is written by the Northeast for the Northeast, at the expense of the West and South. This is sectionalism of the worst sort.

Mr. NORBECK. Mr. President, I ask to have printed in the RECORD a letter from K. M. Leute, president of the General Manganese Corporation, of Detroit, Mich.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DETROIT, MICH., November 1, 1929.

Senator PETER NORBECK,
Senate Office Building, Washington, D. C.

DEAR SENATOR NORBECK: While talking with you in Washington you expressed a desire for further information and facts concerning the manganese situation. So you may have these on file, I am enumerating the more important points.

1. Manganese is essential in the manufacture of steel.
2. No substitute has ever been discovered.
3. Approximately 800,000 tons of 50 per cent ore are consumed a year in this country.
4. About 95 per cent of our requirements are imported from Russia, Brazil, and India.
5. United States Steel owns deposits in Brazil.
6. Bethlehem Steel or its officers are financially interested in the Russian deposits.
7. The manganese ores found in Russia, India, and Brazil contain from 45 to 50 per cent manganese, and are considered high-grade ores.

8. America has very little ore of this quality.
9. America does have over 200,000,000 tons of low-grade ore running 10 to 20 per cent.

10. Recent scientific research has proven it is possible to take these low-grade ores and by treating them produce a product of better grade than foreign ores.

11. There are five methods of treatment, the outstanding ones being oil flotation (developed by Bureau of Mines) and chemical leaching (developed by Mr. Wilson Bradley at University of Minnesota and Prof. A. T. Sweet at the Michigan College of Mines).

12. These methods and their application to low-grade ores is nothing revolutionary. The copper people have done it for years and to-day the low-grade copper ores (running as low as 15 pounds to the ton) account for a large part of our domestic production. After years of development they are able to produce cheaper than the high-grade deposits.

13. This company has acquired by purchase or lease 105,000 acres around Chamberlain, S. Dak.

14. Nearly a year of engineering work in the field has proven a tonnage of fifty to one hundred million tons of ore running 16 to 18 per cent manganese.

15. This ore has no overburden and can be mined by open-pit methods.

16. A year's research work in the laboratories has developed a commercial process for the treating of this particular ore.

17. Our ore reserves will enable this deposit alone to supply one-third of our domestic requirements for 100 years.

18. In competition with foreign ores we are handicapped by the following conditions:

- (a) Many times as much material to handle.
- (b) All ore must be treated.
- (c) The freight rate from Chamberlain, S. Dak., to Pittsburgh is greater than transportation costs from Russia to Pittsburgh.
- (d) American labor costs a great deal more.

19. American efficiency and ingenuity can overcome some of these handicaps but not all.

20. To enable the domestic producer to compete with foreign ores a tariff is essential.

21. Our experience during the late war proved the seriousness of being without a domestic source of supply of this important mineral.

22. The War Department have put themselves on record as favoring the development of a domestic industry as a matter of self-protection in case of national emergency.

23. In 1922 Congress recognizing the necessity of developing a domestic industry placed a duty of 1 cent a pound on ores containing 30 per cent manganese or over.

24. This stimulated an interest in this metal, and has resulted in the discovery of deposits totaling at least 200,000,000 tons of low-grade ore.

25. The discovery of the low-grade ore stimulated scientific research and the development of processes to handle this ore.

26. Laboratory research is slow work and can only be developed so fast. It took Utah Copper Co. eight years to produce copper after the ore was proven. Metallurgical methods had to be worked out.

27. Since 1922 there has been expended in the development of domestic manganese resources at least \$5,000,000 that I personally know of.

28. Not one penny of this has been spent by any steel company.

29. These projects are just starting to produce, and in 1930 will undoubtedly account for 25 per cent of our requirements.

30. The present duty is equivalent to 14 cents on a ton of steel.

31. The steel interests want manganese put on the free list. They claim it increases the cost of steel to the consumer.

32. Mr. Block, chairman of the board of Inland Steel, stated before the Finance Committee the saving would be passed on to the consumer.

33. If the steel interests are so worried about the consumer, why do they not cut their prices. Recent earning statements show they could cut the price of steel \$4 a ton and still have a handsome return on their invested capital.

34. Not satisfied with their present prosperity they are asking for additional increases on steel products in the present tariff bill, while asking for decreases on all raw materials.

35. The tariff on steel products has cost the American public billions in the last six years.

36. No reasonable person objects to the steel interests having adequate tariff protection. American industry should be protected at all costs.

37. But why should the steel industry adopt a policy of high duties on what they produce and free trade on what they buy.

38. For 50 years the manufacturer has been protected at the expense of the producer of raw materials.

39. In January, the case on manganese was presented by both sides to the Ways and Means Committee. The tariff was retained by this committee.

40. On June 25, 26, and 27, testimony under oath was given to the subcommittee of the Finance Committee by both sides.

41. On July 26, the Finance Committee after reviewing this evidence voted 7 to 4 to retain the present duty of 1 cent a pound but extended it to apply to 10 per cent instead of 30 per cent ores as at present.

42. On August 14 the Finance Committee reconsidered the manganese rate and voted 6 to 5 to place it on the free list.

43. If the steel interests were able to submit further evidence we should have been given the same opportunity.

44. At Pueblo, Colo., November 3, 1928, President Hoover made a speech in which he said, "Manganese could scarcely be produced except for protective tariff."

45. The manganese industry needs the following tariff protection: Ten per cent ores, duty free; 10 to 20 per cent ores, one-half cent a pound; 20 to 25 per cent ores, 1 cent a pound; and 25 per cent and over ores, 1½ cents a pound.

46. Senator ODDIE intends to introduce an amendment asking for this protection.

47. Even with this rate of duty the price of manganese will be lower than the average price for the past five years (according to Tariff Commission figures), due to the decline in world's prices.

48. This is the same rate of duty that applies on lead and zinc ores.

49. The present duty of 1 cent a pound on ores of 30 per cent or lower is not enough protection.

50. South Dakota has approximately 50 per cent of all the manganese in America and will undoubtedly be the largest producer.

Yours very truly,

GENERAL MANGANESE CORPORATION,
K. M. LEUTE, *President*.

Mr. WALSH of Massachusetts subsequently said: Mr. President, I intended to make a brief statement in opposition to the amendment of the Senator from Nevada when the item of manganese was pending before the Senate. My absence from the Chamber prevented me from doing so before the roll call. I now ask to have inserted in the RECORD previous to the taking of the vote my views on that subject.

The VICE PRESIDENT. Without objection, leave is granted. The statement of Senator WALSH of Massachusetts is as follows:

Mr. President, in my judgment, there has been more misrepresentation of facts on this subject than perhaps upon any other in the whole tariff bill. I do not occupy the position of being directly interested, although a great deal of correspondence has come to me from stock investors in manganese companies and also from my constituent who claims to have manganese deposits on his premises.

I think a good deal of the misinformation is due to the extravagant, if not, indeed fraudulent statements of the large number of stock-promotion companies claiming to deal in this mineral product. I have in my possession four of these and I call attention to the fact that

these statements of great profits were made before this tariff bill came here.

First. The General Manganese Corporation of South Dakota has issued a prospectus entitled "Fortunes in the Earth." I find that this corporation is incorporated for \$1,500,000. It has issued 385,000 shares, 200,000 shares of which have been offered to the public at \$12.50 per share. On page 49 of this prospectus I find under the head, "The Profit Possibilities," the following:

"The profits will vary with the duty on manganese. * * * In estimating the profits, the unit of manganese is used, as that is customary in the industry. On the basis of a minimum tonnage of 150 tons, the net daily profits are estimated at \$2,345 and the yearly profit at \$703,500."

Mark you, these profits are to be upon an investment of \$1,500,000.

Turning to Government reports prepared by the Bureau of Mines, I find that there was no production of manganese in South Dakota in the year 1928. I further find, turning to the document issued by the United States Department of Commerce, published in 1929, Mineral Raw Materials, page 198, the following:

"The maximum reserves of high-grade manganese ore in the United States were estimated in 1923 to amount to 1,545,000 tons, but to be available only at a price greatly in excess of that which has prevailed in the past five years. Under present methods of utilization of this mineral the United States does not possess within its political boundaries sufficient ore of a commercial grade to meet its requirements, and it seems reasonable to suppose from the example cited that even at times of stress its limited resources render it dependent upon its foreign source of supply."

This statement, issued by the Government in a document of this year, referring to the reserves for the whole United States, states that the amount of tons of manganese available in 1923 would be entirely exhausted in two years if mined, as the annual consumption is 800,000 tons.

Second. The next prospectus which I have before me is issued by the Manganese Ore Co. (Inc.), of Johnson City, Tenn., in January of 1929. The capital of this company is 125,000 shares at \$1 a share. Under the title of "Profits" this prospectus states: "The price at mill ranges as high as \$23.50 per ton; the cost of production at delivery will run around \$10 per ton. This means profit!" In other words, this prospectus is claiming that the company can produce manganese at a profit of \$13.50 per ton, which is in excess of the existing tariff on manganese and is, indeed, in excess of the price that manganese sells for without duty at American ports. The prospectus states that the company owns two washing plants, 39 acres of mineral land at fee, 40 acres under lease, has approximately 5,000 acres of land under lease in Tennessee, and so forth. Turning to the Government reports I find that, as in the case of South Dakota, the State of Tennessee has a very limited supply of manganese. In fact, in 1928 it produced only 55 tons, about 1 carload, worth about \$700 or \$800.

Third. The next prospectus I have, issued in January, 1929, is by the Brunswick Terminal & Railway Securities Co., of Georgia, issuing stocks through a member of the New York Stock Exchange, having a total of 150,000 shares. It states that it is expected that at capacity operations the company will "obtain profits of \$16.89 per ton." On this basis the "net profits will be more than \$8 a share on the 150,000 outstanding." The profit claim of \$16.89 per ton is \$5.69 per ton in excess of the present duty on manganese. The total production in Georgia in 1928, by the Government figures, was 4,727 tons.

Fourth. Another prospectus, issued in 1928, that I have, is by the Cuban-American Manganese Corporation, 120 Broadway, New York City. This company solicits American capital to produce manganese in Cuba, and it points out in its prospectus that the "Cuban ores come into the United States under a reciprocal treaty free of duty as compared with approximately \$11.20 per ton on manganese from other sources. It can therefore be expected that the Cuban-American Manganese Corporation will profit at least to the extent of saving of freight rates and the United States duties." This company proposes to sell 140,000 shares at \$20 a share. Thus, according to the statement of this company, the duty is the principal factor in the profits of this promotion.

How many more prospectuses have been issued I do not know. One thing is certain: If a high duty is levied upon manganese there is every reason to expect that these stock-promoting ventures will multiply and thousands of innocent people will lose their money invested in "wild-cat" undertakings. The prospectus referred to, I believe, would bear investigation by the proper Government authorities.

Mr. President, I inquire can manganese be produced in this country and can its production be expanded? Yes; but in my judgment it never can be expanded sufficiently to meet, at any price, the requirements of this country. It is being produced in Montana now by the Anaconda Copper Co. In 1928 the production of manganese in Montana, including all grades of ore, was 26,733 tons, which was more than half of all the manganese produced in this country. The total consumption of manganese in this country is approximately 800,000 tons. The total production of manganese in the United States, including Montana, was 46,636 tons of all grades of ore in 1928. Nowhere except in Montana has a real effort been made to mine manganese on a commercial basis.

Yet in 1928, with a tariff protective duty of about 88 per cent ad valorem, only approximately 5 per cent of the domestic requirements was produced. An examination of the deposits of manganese in Montana reveals the fact that their total reserve is approximately 1,000,000 tons. Upon Government estimates, therefore, if it was possible to mine all the manganese in Montana at one time the supply would only be enough to take care of the domestic consumption for a very short time. Indeed, the authorities of the Anaconda Copper Co. state that their output is limited. I quote Mr. Pumpelly, who appeared before the Senate Finance Committee, representing Domestic Manganese & Development Co., Butte, Mont.: " * * * We have a potential production of 72,000 tons per year"—this against a domestic consumption of 800,000 tons.

In reply to Senator KING, of Utah, before the Finance Committee of the Senate when asked about the quantity of manganese ore in Montana, Mr. Pumpelly stated:

"The estimates are confusing. They are varied. They are optimistic and they are pessimistic. I think I would be willing to take Doctor Leith on that * * *."

"Senator KING. You do not insist that there is any very large amount of the high grade ore available?"

"Mr. PUMPELLY. Not any tremendous amount."

Dr. C. K. Leith, director of the geological department of the University of Wisconsin, Madison, Wis., states:

"Assuming that all these problems were solved in Montana * * * and giving it very liberal extensions beyond, I think a figure of something like 3,000,000 tons is a very large figure for the available ore in that district, and there again I should hesitate very much to take any business man out there, or any professional colleague, and attempt to show him 3,000,000 tons."

If these figures mean anything, they mean that there are not sufficient deposits of manganese ore in Montana (which is admitted to be the principal source) to take care of the domestic consumption for but a few years.

Mr. President, let us now consider some of the other producing areas.

There are small deposits being worked in Arkansas which in 1928 produced 3,623 tons of ore of insignificant value. Small deposits in Georgia in 1928 produced 4,727 tons of ore. Small deposits in New Mexico in 1928 produced 2,627 tons of ore. Small deposits in North Carolina produced a total of 10 tons of ore in 1928. Production of manganese in Virginia in 1928 was 2,847 tons, and the ore produced in Arizona in 1928 totaled 3,507 tons. The ore produced in Arizona was valued at only \$35,500.

Mr. President, it is apparent from the above facts that with a duty of 88 per cent ad valorem the amount of manganese ore that has been produced in this country—less than 5 per cent—is insignificant compared with the domestic requirements. If these facts mean anything, they mean that users of manganese ore in this country must purchase ore in foreign countries and import this ore and pay the duty that is levied. As that duty is certain to be passed on to the army of American consumers, it means users of steel in every form from office buildings to tin cans and barbed wire will pay increased prices.

The amount of duty which the industries using manganese paid in 1928 was in excess of \$8,000,000. What the ultimate consumer paid is, of course, much in excess of that figure. Contrast this duty of \$8,000,000 with the total value of all manganese ore produced in the United States which was \$591,387, of the grades of ore used by the steel producers and affected by the tariff. In other words, the total value of the American production of manganese was valued at about one-twentieth of the tariff duties collected.

The proposal of the Senator from Nevada would increase the amount of duties collected from approximately \$8,000,000 to \$12,000,000 a year. In my judgment, it is an unsound national policy to impose such a high duty as has been levied upon an exhaustible natural resource which is admittedly found in very meager quantities in this country, and which, the facts show, is absolutely insufficient, even with extravagant prices, to meet the consumption demands.

Mr. President, I can not close this discussion without calling attention to what I call a misrepresentation by the tariff framers with respect to this commodity. It is, in my opinion, nothing but downright deception of the public to impose a "per-pound" duty upon a commodity like manganese that is never at any time or in any place bought, sold, or considered except in terms of tons. The levying of a per-pound duty is fraudulent because it is clearly for the purpose of making the duty seem small. It is like putting a duty on cement by the ounce, or bricks per brick, or coal per hodful. The real truth is that the duty of 1 cent per pound is, in fact, a duty of \$11.20 per long ton, or equivalent to 88 per cent ad valorem on past import averages. The dutiable value to-day is about \$11 per ton, which represents an equivalent ad valorem duty of about 100 per cent. The amendment of the Senator from Nevada provides a specific duty equivalent to an ad valorem duty of 133 per cent, based upon the figures of 1928 with respect to dutiable value.

Mr. President, any duty except a possible small revenue duty on manganese is indefensible. Granting it would be physically possible to produce a sufficient supply of manganese for the domestic demand—

a violent assumption at that—it would not be economically desirable to do so any more than it would pay to grow bananas in this country, although it can be done in hothouses. In my opinion, there is no case of protection here, least of all, a rate of 88 per cent ad valorem, which is the present law, and even more is requested by certain Senators from States where there are slight deposits of this ore.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Nevada, which the clerk will report.

The CHIEF CLERK. On page 56 the committee proposes to strike out paragraph 302, subdivision (a), lines 22, 23, and 24. The Senator from Nevada proposes to strike out, in line 23, the numeral "30" and insert in lieu thereof the numeral "10," so as to make the paragraph read:

PAR. 302. (a) Manganese ore or concentrates containing in excess of 10 per cent of metallic manganese, 1 cent per pound on the metallic manganese contained therein.

Mr. COUZENS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. OVERMAN (when his name was called). I have a general pair with the Senator from Wyoming [Mr. WARREN], but I find that I can transfer that pair to the Senator from New York [Mr. COPELAND]. I will make that transfer and will vote. I vote "yea."

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF]. As the Senator from Rhode Island, if present, would vote as I intend to vote, I am at liberty to vote. I vote "yea." The roll call was concluded.

Mr. STEPHENS. I am paired on this vote with the junior Senator from Indiana [Mr. ROBINSON], and therefore withhold my vote.

Mr. FESS. I desire to announce that the Senator from Illinois [Mr. GLENN] is necessarily detained from the Chamber. I also desire to announce the following general pairs:

The Senator from Indiana [Mr. WATSON] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Connecticut [Mr. WALCOTT] with the Senator from Utah [Mr. KING]; and

The Senator from New Jersey [Mr. EDGE] with the Senator from South Carolina [Mr. SMITH].

Mr. WAGNER. I desire to state that my colleague the senior Senator from New York [Mr. COPELAND] has been unavoidably called out of the city. If present, he would vote "yea."

Mr. SHEPPARD. I desire to announce that the Senator from Utah [Mr. KING] is necessarily detained by illness.

I also desire to announce that the Senator from Oklahoma [Mr. THOMAS] is necessarily detained on official business.

The result was announced—yeas 60, nays 18, as follows:

YEAS—60

Allen	Dill	Kendrick	Sheppard
Ashurst	Fletcher	Keyes	Shortridge
Black	Frazier	La Follette	Simmons
Blaine	George	McKellar	Smoot
Blease	Glass	McNary	Steck
Borah	Gould	Norbeck	Steiner
Bratton	Harris	Norris	Swanson
Brock	Harrison	Nye	Thomas, Idaho
Brookhart	Hatfield	Oddie	Trammell
Broussard	Hawes	Overman	Tydings
Capper	Hayden	Patterson	Vandenberg
Caraway	Heflin	Phipps	Wagner
Connally	Howell	Pine	Walsh, Mont.
Couzens	Johnson	Pittman	Waterman
Cutting	Jones	Ransdell	Wheeler

NAYS—18

Barkley	Gillett	Hastings	Sackett
Bingham	Goff	Hebert	Townsend
Dale	Goldsbrough	Kean	Walsh, Mass.
Deneen	Greene	Moses	
Fess	Hale	Reed	

NOT VOTING—16

Copeland	McMaster	Schall	Thomas, Okla.
Edge	Metcalf	Shipstead	Walcott
Glenn	Robinson, Ark.	Smith	Warren
King	Robinson, Ind.	Stephens	Watson

So Mr. ODDIE's amendment was agreed to.

Mr. NORBECK. Mr. President, I wish to state at this time that my colleague [Mr. McMASTER] is absent on account of illness in his family. The question just voted on is one in which he has taken a great deal of interest. He was paired in favor of the amendment presented by the Senator from Nevada [Mr. ODDIE]; but when a vote could not be secured on the rate he first proposed, the pair did not stand. If he were present, however, my colleague would have voted in favor of the amendment as amended.

The VICE PRESIDENT. The question is on the committee amendment.

Mr. WALSH of Montana. Mr. President, I inquire what is now the parliamentary situation?

The VICE PRESIDENT. The question is on the committee amendment to strike out the House text as perfected. If the amendment shall be disagreed to, the House provision remains in the bill, fixing the limitation of metallic content at 10 per cent instead of 30 per cent.

Mr. WALSH of Montana. The committee amendment, which I understand is now the question before the Senate, is to strike out without any insertion whatever? The amendment just adopted, apparently, was an amendment of the House text?

The VICE PRESIDENT. The Senator is correct.

Mr. WALSH of Montana. The question now is on what?

The VICE PRESIDENT. The question is on the Senate committee amendment to strike out the House text as perfected. If that shall be defeated, the House provision will stand with the change from 30 per cent to 10 per cent.

Mr. WALSH of Montana. I thank the Chair. Then, those who are in favor of the policy of the amendment which has just been agreed to will vote against the adoption of the committee amendment?

The VICE PRESIDENT. That is correct. The question is on agreeing to the committee amendment to strike out the House text as perfected.

The amendment was rejected.

Mr. ASHURST. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. ASHURST. I did not quite grasp the question propounded by the Senator from Montana [Mr. WALSH] a moment ago. I did not understand the question, and there are some other Senators also who did not understand it.

Mr. WALSH of Montana. I was desirous of ascertaining the parliamentary situation, and the Chair advised me that the amendment proposed by the Senator from Nevada [Mr. ODDIE] was, in effect, to amend the House text before acting upon the Senate amendment to strike out that provision of the House bill. Next came the question on the adoption of the Senate committee amendment. The Senate committee amendment was rejected and the House provision stands as amended, so that "30" was changed to "10."

Mr. ASHURST. That is clear.

Mr. SMOOT. Mr. President, in order to complete the items as to manganese, it will be necessary to act on about half a dozen amendments in other places in the bill in which reductions have been made on account of the manganese being put upon the free list. I ask now that paragraph 1713, on page 261, placing manganese on the free list, be acted upon.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 261, after line 18, it is proposed to insert:

PAR. 1713. Manganese ores and manganese concentrates.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The VICE PRESIDENT. The next committee amendment will be stated.

The CHIEF CLERK. On page 57, paragraph 302, in line 4, it is proposed to strike out "50 cents" and to insert "45 cents," so as to make the paragraph read:

(b) Tungsten ore or concentrates, 45 cents per pound on the metallic tungsten contained therein.

Mr. SMOOT. I simply wish to state that the amendment is in conformity with the tentative difference in cost here and abroad as returned by the Tariff Commission, indicating that the rate of 45 cents is substantially correct. Imports are about two-thirds of the domestic consumption. The rate on tungsten ore in the act of 1922 was 45 cents a pound; the House increased it to 50 cents; and the Senate committee has recommended that it be reduced to 45 cents.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. SHORTRIDGE. Mr. President, the suggested amendment in subdivision (b) of paragraph 302 should be considered in connection with subdivision (f) of the same section. I should like to have the discussion taken up in the morning. There are those who desire to be heard briefly upon the subject, and it will be very agreeable to me if the matter could be considered in the morning.

Mr. SMOOT. If the Senator could go on now—we have been 5 hours and 30 minutes on one item—perhaps there are more Senators now in the Chamber than will be here in the morning.

Mr. SHORTRIDGE. But I have not consumed one minute of the time to-day.

Mr. SMOOT. I am not complaining of the Senator consuming time. I am merely saying that if he could go on at this time, I think perhaps he will have a better audience of Senators than he will have in the morning.

Mr. SHORTRIDGE. I think that is likely, but I have indicated my wishes, and if they can not be complied with I will stagger along.

Mr. PITTMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Nevada?

Mr. SHORTRIDGE. Certainly.

Mr. PITTMAN. I want to join in the request that we pass over this item and take up the next item.

Mr. WALSH of Montana. Mr. President, let me make a suggestion in this connection. I take it—and I address myself to the Senator from Utah—that the change made in subdivision (c) relating to ferromanganese, and reducing the rate from 1½ cents to sixty-five one-hundredths of a cent, and the same change made in subdivision (d) are changes that were made in view of the policy of the Senate Finance Committee with respect to subdivision (a) relating to manganese ore.

Mr. SMOOT. That is true.

Mr. WALSH of Montana. And the 1-cent rate having been retained in paragraph 302, the Senate committee amendments to which I have referred should be disagreed to.

Mr. SMOOT. They should be disagreed to, and that is what I was about to ask to have considered.

Mr. WALSH of Montana. I was going to ask that before anything else is done, so that all items affecting manganese may be disposed of, that those amendments be considered.

Mr. SMOOT. I will say to the Senator there are a few amendments in other sections which should be made for the same reason.

Mr. WALSH of Montana. Then, could we not dispose of the amendments covering alloys of manganese?

Mr. SMOOT. I thought I would call attention to them as we reached them.

The VICE PRESIDENT. Is it desired that the amendment which has been reported be passed over temporarily?

Mr. SMOOT. For the present I think we might follow the suggestion of the Senator from Montana. I can point out where the amendments referred to by the Senator from Montana occur. The first one is on page 57, in line 7. I ask that the committee amendment there be disagreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee on page 57, line 7.

The amendment was rejected.

Mr. WALSH of Montana. Let me inquire, is not the 1 cent of the 1½ cents duty on ferromanganese a compensatory duty?

Mr. SMOOT. It is.

Mr. WALSH of Montana. So the seven-eighths of a cent is the only real duty on that commodity?

Mr. REED. Mr. President, if the Senator will permit me, when we get to ferromanganese, which is iron alloy of over 30 per cent manganese, a compensatory duty at the rate of 1 cent for the manganese content of the ore amounts to about 1.22 cents. The rate shown in the Senate committee amendment was intended to be wholly compensatory after the removal of the manganese duty, and therefore to disagree to the amendment is now the correct thing to do.

Mr. SMOOT. That is what I was about to say. I think there are five amendments that will have to be made in view of the action of the Senate in regard to manganese. I will ask to disagree to them as we reach them. The next amendment of the same character, Mr. President, is on page 57, line 14, and I ask that that amendment be disagreed to.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 57, in line 14, the committee proposes to strike out "1½ cents" and insert "0.65 of 1 cent."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. SMOOT. The amendment inserting subparagraph (b) on page 63, having to do with the compensatory duty on steel, should be disagreed to.

Mr. WALSH of Montana. Where is that?

Mr. SMOOT. On page 63, line 1. Does the Senator wish it read?

Mr. WALSH of Montana. No.

Mr. SMOOT. I ask that that amendment be disagreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 63, beginning in line 1.

The amendment was rejected.

Mr. SMOOT. I think that is all, Mr. President.

The VICE PRESIDENT. The clerk will state the next amendment.

The CHIEF CLERK. The next amendment is on page 57—

Mr. SMOOT. At the request of the Senator from California [Mr. SHORTRIDGE], I ask that tungsten go over until to-morrow morning.

The VICE PRESIDENT. The amendment will be passed over. Mr. SHORTRIDGE. Mr. President, in the meantime I offer the amendment which I send to the desk, and ask to have it printed and lie on the table.

The VICE PRESIDENT. The amendment will be printed and lie on the table.

Mr. FLETCHER. I ask to have the amendment read.

The VICE PRESIDENT. The amendment will be read for the information of the Senate.

The CHIEF CLERK. The Senator from California offers the following amendment:

On page 57, strike out lines 22 to 25—dealing with the rate on tungsten—and insert the following:

(f) Tungsten metal, tungsten carbide, and mixtures or combinations containing tungsten metal or tungsten carbide, all the foregoing, in lumps, grains, or powder, 60 cents per pound on the tungsten contained therein and 50 per cent ad valorem; tungstic acid, and all other compounds of tungsten, not specially provided for, 60 cents per pound on the tungsten contained therein and 40 per cent ad valorem.

On page 58, line 1, strike out "Ferrocromium tungsten" and insert "Ferrotungsten, ferrocromium tungsten."

Mr. SMOOT. Mr. President, that amendment could not be considered at this time under the unanimous-consent agreement. It could only be considered by unanimous consent of the Senate. I will ask the Senator to let it go over until to-morrow morning, however.

The VICE PRESIDENT. The amendment will be printed and lie on the table. The clerk will state the next amendment of the committee.

The next amendment was, on page 57, line 22, before the word "Ferrotungsten," to strike out "(g)" and insert "(f)"; and in line 23, after the words "tungstic acid," to strike out "and" and insert "tungsten carbide powder, and," so as to read:

(f) Ferrotungsten, metallic tungsten, tungsten powder, tungstic acid, tungsten carbide powder, and all other compounds of tungsten, 60 cents per pound on the tungsten contained therein and 25 per cent ad valorem.

The VICE PRESIDENT. Does the Senator from Utah desire that amendment to go over, too?

Mr. SMOOT. No, Mr. President; that can be acted upon.

Mr. McKELLAR. Mr. President, that is the one for which the Senator from California has just offered a substitute.

Mr. SHORTRIDGE. Certainly. That is the scope of the proposed amendment, amending subdivision (f).

The VICE PRESIDENT. Does the Senator wish to have that go over?

Mr. SMOOT. Yes; that may go over. I want to say to the Senator from California, however, that I understood he wanted subdivision (b) to go over. That is the reason why I asked to have this acted upon.

Mr. SHORTRIDGE. Oh, no; they are all related.

The VICE PRESIDENT. The amendment will be passed over. The clerk will state the next amendment of the committee.

The next amendment was on page 58, after line 14, to strike out "(j) Silicon aluminum, aluminum silicon, alumin, ferro-silicon aluminum, and ferroaluminum silicon, 5 cents per pound" and in lieu thereof to insert "(i) Silicon aluminum and aluminum silicon, 3½ cents per pound; ferrosilicon aluminum and ferroaluminum silicon, 25 per cent ad valorem."

Mr. HARRISON. Mr. President, that is the present law, is it not?

Mr. SMOOT. That is a rewriting of the House provision.

Mr. REED. Mr. President, I desire to offer an amendment to that paragraph. As it stands, it may be very much evaded, and used to bring in metals which are not intended for use as deoxydizing alloys.

I think 3½ cents is quite sufficient duty, and that the House duty of 5 cents is too much. I would not change that; but I do think that 25 per cent ad valorem on the compounds in which silicon is the element of chief value ought to be put in. That will give a somewhat less duty, I understand, than the House gives. Therefore I send this amendment to the desk. It is self-explanatory.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. In lieu of the committee amendment, it is proposed to insert:

(i) Silicon aluminum and aluminum silicon (in which aluminum is not the component material of chief value), 3½ cents per pound; ferrosilicon aluminum and ferro aluminum silicon (in which aluminum is not the component material of chief value), 25 per cent ad valorem.

Mr. HARRISON. Mr. President, will not the Senator explain what is the difference between that and the recommendation of the committee?

Mr. REED. It avoids confusion between this paragraph and the aluminum paragraph. It avoids bringing in aluminum with a slight alloy of silicon in it and claiming that it comes under this paragraph. If the aluminum is the material of chief value, logically it ought to go into the aluminum paragraph. It simply avoids conflict between the two.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. REED] to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The next amendment was, on page 58, line 21, before the word "ferrochrome," to strike out "(k)" and insert "(j)"; in line 22, before the words "per pound," to strike out "3½ cents" and insert "2½ cents"; and on page 59, line 1, before the words "ad valorem," to strike out "30 per cent" and insert "25 per cent," so as to read:

(j) Ferrochrome or ferrocromium containing 3 per cent or more of carbon, 2½ cents per pound on the chromium contained therein; ferrochrome or ferrocromium containing less than 3 per cent of carbon and chrome metal or chromium metal, 25 per cent ad valorem.

The amendment was agreed to.

The next amendment was, on page 59, line 11, after the word "barium," to strike out "(n)" and insert "(m)," and in line 12, after the word "niobium," to strike out "strontium, thorium" and insert "strontium, tantalum, thorium," so as to read:

(m) Barium, boron, calcium, columbium or niobium, strontium, tantalum, thorium, titanium, uranium, vanadium, zirconium, alloys of two or more of these metals, or alloys not specially provided for of one or more of these metals with one or more of the metals aluminum, chromium, cobalt, copper, manganese, nickel, or silicon, 25 per cent ad valorem.

The amendment was agreed to.

The next amendment was, on page 59, line 20, before the word "cerium," to strike out "(p)" and insert "(o)," and in the same line, after the words "cerium metal," to strike out "\$2 per pound" and insert "\$1 per pound," so as to read:

(o) Cerium metal, \$1 per pound.

Mr. SMOOT. Mr. President, the Senator from New Jersey [Mr. EDGE] was compelled to leave the city, and he asked me that cerium metal and ferrocium, subdivisions (o) and (p), go over.

The VICE PRESIDENT. Without objection, those subdivisions will be passed over.

Mr. SMOOT. We can act on subdivision (q).

The VICE PRESIDENT. The next amendment of the committee will be stated.

The next amendment of the Committee on Finance was, on page 59, line 23, before the word "ductile," to strike out "(r)" and insert "(q)"; in the same line, after the word "tantalum," to strike out "metal or" and insert "metal, ductile columbium or niobium metal, and"; and on page 60, line 1, after the word "of," to strike out "tantalum metal," and insert "tantalum metal, or of columbium or niobium metal," so as to read:

(q) Ductile tantalum metal, ductile columbium or niobium metal, and ductile nonferrous alloys of tantalum metal, or of columbium or niobium metal, 40 per cent ad valorem.

Mr. SMOOT. That is the same as the other.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 60, line 6, after the word "castings," to strike out "granular or sponge iron."

The amendment was agreed to.

The next amendment was, on the same page, line 7, after the words "valued at," to strike out "not over 1 cent per pound, two-tenths of 1 cent per pound; valued above 1 cent and," so as to make the paragraph read:

PAR. 303. Muck bars, pieces thereof except crop ends, bar iron, and round iron in coils or rods, iron in slabs, blooms, loops, or other forms less finished than iron in bars and more advanced than pig iron, except castings; all the foregoing, valued at not more than 1½ cents per pound, three-tenths of 1 cent per pound; valued above 1½ and not above 2½ cents per pound, five-tenths of 1 cent per pound; valued above 2½ and not above 3½ cents per pound, eight-tenths of 1 cent per pound; valued above 3½ and not above 5 cents per pound, 1 cent per pound; valued above 5 cents per pound, 1½ cents per pound.

Mr. BARKLEY. Mr. President, may I inquire of the Senator from Utah what effect that amendment has on the present rate?

Mr. SMOOT. It takes out the first bracket in this paragraph.

Mr. BARKLEY. What effect does it have?

Mr. SMOOT. It strikes out the words:

Not over 1 cent per pound, two-tenths of 1 per cent per pound; valued above 1 cent and.

So that it would read:

Valued at not above 1½ cents per pound, three-tenths of 1 cent per pound.

Mr. BARKLEY. Does that represent an increase in the rate?

Mr. SMOOT. It does on the smaller size.

Mr. BARKLEY. Why does the committee make that recommendation, in view of the fact that there are practically no imports?

Mr. SMOOT. Mr. President, as I understand, there is no steel quoted at the price within that bracket. I am informed by the representative of the Tariff Commission that there is no steel quoted at this price. Therefore, there is no need of the duty.

Mr. BARKLEY. So that you are simply striking it off the dutiable list?

Mr. SMOOT. No; if it ever did come in, it would come in under the first paragraph.

Mr. BARKLEY. If there is none of it at all, why increase the duty on it?

Mr. SMOOT. There is none, so why put it in?

Mr. BARKLEY. I understand that this represents an increase.

Mr. SMOOT. It would be an increase if the value were not over 1 cent a pound.

Mr. BARKLEY. Yes; and the Senator says there is not any of that.

Mr. SMOOT. True.

Mr. BARKLEY. Why have any increase in the tariff on an article of which none is imported?

Mr. SMOOT. Why have it in here at all?

Mr. BARKLEY. That is what I say.

Mr. SMOOT. That is the reason why we struck it out.

Mr. REED. Mr. President, if I may interject a suggestion, as long as the lowest bracket remains there it is a constant temptation to fraudulent undervaluation. It is believed that there is no material of that sort which can honestly be valued within the first bracket. It is a survival of the old pre-war days, when prices were on a much lower level than they have been at any time since the war; and while there have been some few imports in the low bracket, the suspicion is attached to them that there is a fraudulent undervaluation. That is what impelled us to cut it out.

Mr. HARRISON. But, as a matter of fact, on these muck bars, pieces thereof, and so forth, if the value is not over 1 cent a pound and under 1½ cents a pound, while you have stricken out the duty of two-tenths of 1 cent per pound, you have imposed a duty of three-tenths of 1 cent per pound. In other words, in that classification there is a half cent higher duty as a result of striking it out than there would be if it were left in that classification.

Mr. REED. That is true, if it honestly belongs there; but the Senator knows what muck bar is. It is puddled iron, and is made by the expenditure of a great amount of labor; and no man living sells muck bar to-day at a cent a pound.

Mr. HARRISON. As I understand, the importations in this classification are negligible.

Mr. REED. They amounted last year to about \$400,000 worth of stuff that was claimed to be in that classification. The testimony seemed to indicate that most of those invoices were suspicious.

Mr. BARKLEY. Mr. President, if the Senator will yield, according to the Tariff Summary, 11 per cent in weight of steel bars without an alloy that were brought in here represented those not over 1 cent in price, and 35.6 per cent of ingots; and there is no steel bar with an alloy carried in the statistics given in the Summary of Tariff Information.

Mr. REED. Let me demonstrate to the Senator just what I mean.

The cost of making pig iron in Europe is nowhere that I know of less than about \$17.50 or \$18. You can not possibly take that pig iron, put it through a steel works, make steel out of it, and then put it through a rolling mill and make these semifinished products here for a dollar and a half a ton. That can not possibly be done; so if somebody sends over bars rolled from steel that came through a steel works, made of \$18 pig iron, and claims that they are worth less than \$20 a ton, it is pretty obvious that that is a fraud. It is to avoid the fraud on the revenue, more than to furnish protection, that the committee was impelled to do this.

Mr. HARRISON. Mr. President, may I ask the Senator a question? What if the price of muck bars went down? Might there not then be an increase in importations?

Mr. REED. Surely. If the price of muck bars goes down to a cent a pound, there will not be anybody left in the steel business to care. Of course, they are not steel.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 61, line 22, after the word "paid," to strike out "on all steel or iron, in all forms and shapes, by whatever process made, and by whatever name designated, whether cast, hot or cold rolled, forged, stamped, or drawn" and insert "on all steel or iron in the materials and articles enumerated or described in such paragraphs," so as to read:

PAR. 305. (a) In addition to the rates of duty provided for in paragraphs 303, 304, 307, 308, 312, 313, 315, 316, 317, 318, 319, 322, 323, 324, 327, and 328 of this schedule, there shall be levied, collected, and paid on all steel or iron in the materials and articles enumerated or described in such paragraphs.

Mr. SMOOT. That is to carry out the present practice.

Mr. BARKLEY. That is a restoration of the language contained in the present law.

Mr. SMOOT. No; it is not a restoration of the law. It includes steel and articles of steel, as it says, and I am informed that this is the present practice in the Customs Service. It is just a clarifying amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 62, line 6, after the words "per cent of," to strike out "tungsten, molybdenum, or" and insert "tungsten or molybdenum, or more than three-tenths of 1 per cent of," so as to read:

(1) A duty of 8 per cent ad valorem if such steel or iron contains more than one-tenth of 1 per cent of vanadium, or more than two-tenths of 1 per cent of tungsten or molybdenum, or more than three-tenths of 1 per cent of chromium, or more than six-tenths of 1 per cent of nickel, cobalt, or any other metallic element used in alloying steel or iron.

Mr. FLETCHER. Mr. President, that involves the amendment proposed by the Senator from California.

Mr. REED. No, Mr. President, it does not affect the tungsten rate. All this amendment does is to allow the article to come in free of the extra alloy duty on metal alloyed with chromium and assaying between two-tenths and three-tenths of 1 per cent. It is a reduction in duty on that group of chromium alloy metals. The House bill fixed two-tenths as the limit where the duty began on the chromium alloy. We raised that to three-tenths, because sometimes we actually get more than two-tenths in that metal.

Mr. GEORGE. Mr. President, I think the House fixed six-tenths, did it not?

Mr. REED. No, Mr. President; if the Senator will look in line 5, he will see that the two-tenths applies to the chromium as well as to tungsten and molybdenum. We left it as it was under tungsten and molybdenum and raised it to three-tenths on the chromium.

Mr. GEORGE. The Senator is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 62, line 22, after the word "and," to strike out "4 cents" and insert "3 cents," and in line 23, after the words "in excess of," to strike out "two-tenths" and insert "three-tenths," so as to read:

(2) An additional cumulative duty of \$1 per pound on the vanadium content in excess of one-tenth of 1 per cent, 72 cents per pound on

the tungsten content in excess of two-tenths of 1 per cent, 65 cents per pound on the molybdenum content in excess of two-tenths of 1 per cent, and 3 cents per pound on the chromium content in excess of two-tenths of 1 per cent.

The amendment was agreed to.

The next amendment was, on page 63, line 23, after the word "at," to strike out "1 cent per pound or less, seven-twentieths of 1 cent per pound; valued above 1 cent per pound and," so as to read:

PAR. 307. Boiler or other plate iron or steel, except crucible plate steel and saw plate steel, not thinner than one hundred and nine one-thousandths of 1 inch, cut or sheared to shape or otherwise, or un-sheared, and skelp iron or steel sheared or rolled in grooves, valued at not above 3 cents per pound, five-tenths of 1 cent per pound; valued at over 3 cents per pound, 20 per cent ad valorem.

Mr. SMOOT. Mr. President, I think the amendment ought to be disagreed to, because there is a compensatory amendment, subdivision (b), on the same page, on manganese.

Mr. REED. Mr. President, the Senator is looking at the first five lines on page 63. That amendment has already been rejected.

Mr. SMOOT. That is what I meant to say.

Mr. REED. The amendment in line 23 is something quite different.

Mr. SMOOT. I looked at the wrong amendment. This amendment is simply carrying out the present practice.

Mr. HARRISON. Mr. President, you are doing in this paragraph 307 exactly what was done with reference to muck bars.

Mr. REED. Yes.

Mr. HARRISON. You are cutting out the lower brackets and increasing the classification to this extent. What are the importations?

Mr. SMOOT. There is not very much brought in.

Mr. REED. This is a finished product, and those covered in paragraph 303 were semifinished products, or most of them were. Importations in the first bracket under paragraph 307 amounted to \$54 in all of last year.

Mr. BARKLEY. Mr. President, in the other paragraph you eliminated all under 1½ cents per pound, but here you eliminate all under 3 cents. This is only a semifinished product. Is there that much difference?

Mr. REED. The only effect of this amendment, based on the imports of last year, would be to add \$54 worth of the cheapest stuff to \$700,000 worth of the material between 1 and 3 cents. We do not change the duty on the \$700,000 worth, but simply put the \$54 worth in with it.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 66, line 12, before the word "deck," to insert "and"; in the same line, after the word "beams," to strike out "and building forms."

Mr. HARRISON. Mr. President, may I ask the chairman of the committee if he intends to insist on this amendment?

Mr. REED. As to building forms?

Mr. SMOOT. It is just a clarifying amendment.

Mr. HARRISON. No; it is an increase.

Mr. REED. If the Senator will permit me, there is nobody we can find who knows what the term "building forms" means.

Mr. HARRISON. I am not particularly interested about building forms. I mean these increased rates carried in this paragraph on structural steel. Does the committee intend to insist upon the committee amendments?

Mr. REED. The committee did that in order to bring this paragraph in line with the other steel products.

Mr. HARRISON. There will be debate at length on this item, and we might just as well limit debate now.

Mr. SMOOT. Does the Senator want it to go over?

Mr. HARRISON. Indeed, I do not. We are ready to vote now on the increases.

Mr. REED. Let us dispose of the pending amendment about the building forms. That is a senseless phrase and ought to be cut out.

Mr. HARRISON. There is no objection to building forms being taken out. I am talking about the increased rate.

The VICE PRESIDENT. The question is on agreeing to the first amendment, in line 12.

The amendment was agreed to.

The next amendment of the committee was, on page 66, line 15, to strike out "one-fifth" and insert in lieu thereof "three-tenths," so as to read:

PAR. 312. Beams, girders, joists, angles, channels, car-truck channels, tees, columns and posts, or parts or sections of columns and posts, and

deck and bulb beams, together with all other structural shapes of iron or steel, not assembled, manufactured or advanced beyond hammering, rolling, or casting, three-tenths of 1 cent per pound.

Mr. HARRISON. I ask for the yeas and nays on the amendment.

Mr. DILL. Mr. President, I make the point of no quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Howell	Sheppard
Ashurst	Frazier	Johnson	Simmons
Barkley	George	Jones	Smoot
Bingham	Gillett	Kean	Steiwer
Black	Glass	Keyes	Stephens
Blaine	Goff	La Follette	Swanson
Blease	Goldsbrough	McKellar	Thomas, Idaho
Borah	Gould	McNary	Townsend
Bratton	Greene	Moses	Trammell
Brookhart	Hale	Norbeck	Tydings
Capper	Harris	Norris	Vandenberg
Caraway	Harrison	Nye	Wagner
Couzens	Hastings	Oddie	Walsh, Mass.
Cutting	Hatfield	Phipps	Walsh, Mont.
Dale	Hawes	Pine	Waterman
Deneen	Hayden	Ransdell	Wheeler
Dill	Hebert	Reed	
Fess	Hedin	Sackett	

The VICE PRESIDENT. Seventy Senators have answered to their names. A quorum is present. The Secretary will report the pending amendment.

The CHIEF CLERK. On page 66, line 15, the committee proposes to strike out "one-fifth" and to insert in lieu thereof "three-tenths."

Mr. REED. Just a word, Mr. President. I do not mean to lead to any protracted debate, but the committee made that change in order to bring this paragraph in line with other finished rolled-steel products.

The imports under this paragraph have increased faster than any other steel imports. From 1923 to 1928 they increased 1,400 per cent, or from 10,000 long tons to 165,000 long tons. As I do not believe there is going to be much chance of the Senate accepting the increase, I do not think I care to prolong the debate any further.

Mr. BARKLEY. Mr. President, I merely want to add to what the Senator has said that this represents an increase of one-tenth of a cent on about 8,000,000,000 pounds of structural steel, about 4,000,000 tons, which represents about 8,000,000,000 pounds, with an importation of only 165,000 tons, and an exportation of 291,000 tons. In other words, we export about 130,000 tons more than we import. So that I can not see any reason why this increase should be made.

Mr. REED. Mr. President, the people we would protect most if we raised the rate, I think, would be a number of relatively small steel mills at distant points. We can pretty well hold our own in this part of the country. There are some rerollers who roll the small beams and channels, the sizes that are used in making the frames of metal beds. Some of those are made down in the Southern States, Georgia and Texas and other places, and the people engaged in that industry down there have felt foreign competition in these products, just as they have in concrete bars.

These rerollers, as they are called, roll these small sections down there from secondhand rails and material of that sort. I have always felt, since I have had any acquaintance with the business, that they had pretty savage competition from abroad. Their raw material costs them a good deal, they do not produce very much, and I think they deserve the protection. We were affected somewhat by the arguments given us by a rolling mill down in Galveston. Those are the people who need it most. But I know there is no use of my prolonging the argument.

Mr. HARRISON. Mr. President, I merely desire to say this: That this is a 50 per cent increase on all the structural parts going into bridges, and buildings, and like structures made out of steel.

In order that the RECORD may show the fact about the imports and exports, may I say that the importations under paragraph 312 in 1928 were 165,000 long tons; the production in the United States was 4,000,000 long tons; the exportations were 291,000 long tons. It is made almost exclusively by the Bethlehem and United States Steel Cos. Mr. Doherty, a representative of the American Steel Institute, appeared before the committee and this was one of the increases for which he asked.

Mr. NORRIS. Mr. President, I want to ask the Senator from Mississippi a question.

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. HARRISON. I yield.

Mr. NORRIS. If the committee amendment is rejected then the rate provided in the House bill will automatically stand?

Mr. HARRISON. It would be the same as under the present law.

Mr. NORRIS. How does it compare with the present law?

Mr. HARRISON. All we are asking is to reject the proposed increase and let the rate remain as it is.

Mr. NORRIS. The House language is the same as the present law?

Mr. HARRISON. Yes; that is correct.

Mr. LA FOLLETTE. Mr. President, is that correct? I invite attention to the comparative print on page 82. Are not the words "sheet piling" an addition to the existing law made by the House?

Mr. FLETCHER. We are not discussing that item.

Mr. LA FOLLETTE. We are discussing the paragraph.

Mr. REED. The words "sheet piling" were added by the House, but it makes no difference in existing law. Sheet piling was not mentioned in the act of 1922 and at first the imports of sheet piling were admitted under section 304 at a lower duty, but by reason of a decision of the Court of Customs Appeals it was held that they were structural shape. They are rolled in a structural mill. For years they have been paying a duty under paragraph 312. This item merely recognizes the existing state of facts.

Mr. LA FOLLETTE. I thought the question of the Senator from Nebraska was directed to the entire paragraph and I merely wanted to call attention to the fact that the entire paragraph was not exactly as in existing law.

Mr. REED. The Senator is correct in that statement.

Mr. HARRISON. I was speaking of the rate. If we defeat the amendment we keep the rate as it is in the present law.

Mr. REED. Mr. President, I said sheet piling carried a lower duty under paragraph 304 when they first came in, did I not?

Mr. NORRIS. Yes.

Mr. REED. The duty in paragraph 304 is one-half cent a pound. They paid a higher duty. Then the importers took the case up and it was held that they could come in under paragraph 312 and get the benefit of a one-fifth cent rate, which is a lower duty.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. BARKLEY and Mr. HARRISON asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. SHEPPARD (when Mr. CONNALLY's name was called). My colleague the junior Senator from Texas [Mr. CONNALLY] is unavoidably detained on official business. If he were present, he would vote "nay."

Mr. STEPHENS (when his name was called). I have a general pair with the junior Senator from Indiana [Mr. ROBINSON], which I transfer to the junior Senator from Tennessee [Mr. BROCK], and vote "nay."

Mr. TYDINGS (when his name was called). On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF]. If he were present, I understand he would vote "yea." If I were at liberty to vote, I would vote "nay."

Mr. WAGNER (when his name was called). On this vote I have a pair with the junior Senator from Missouri [Mr. PATTERSON]. I transfer that pair to the junior Senator from Texas [Mr. CONNALLY] and vote "nay."

The roll call was concluded.

Mr. SHEPPARD. The junior Senator from North Carolina [Mr. OVERMAN] is unavoidably absent. He has a general pair with the Senator from Wyoming [Mr. WARREN]. If present, the junior Senator from North Carolina would vote "nay."

I desire to announce that the Senator from Nevada [Mr. PITTMAN] and the Senator from Iowa [Mr. STECK] are detained on official business.

Mr. TYDINGS. I transfer my pair with the Senator from Rhode Island [Mr. METCALF] to the Senator from Iowa [Mr. STECK] and vote "nay."

Mr. MCKELLAR. I wish to announce that the junior Senator from Tennessee [Mr. BROCK] is necessarily detained at the Treasury Department on official business.

Mr. FESS. I desire to announce the following general pairs: The senior Senator from Indiana [Mr. WATSON] with the senior Senator from Arkansas [Mr. ROBINSON];

The junior Senator from Illinois [Mr. GLENN] with the senior Senator from New York [Mr. COPELAND];

The junior Senator from Connecticut [Mr. WALCOTT] with the junior Senator from Utah [Mr. KING]; and

The senior Senator from New Jersey [Mr. EDGE] with the senior Senator from South Carolina [Mr. SMITH].

The result was announced—yeas 19, nays 51, as follows:

YEAS—19

Bingham	Goff	Hastings	Phipps
Dale	Goldsbrough	Hatfield	Reed
Deneen	Gould	Hebert	Smoot
Fess	Greene	Kean	Townsend
Gillett	Hale	Moses	

NAYS—51

Allen	Dill	Keyes	Steiwer
Ashurst	Fletcher	La Follette	Stephens
Barkley	Frazier	McKellar	Swanson
Black	George	McNary	Thomas, Idaho
Blaine	Glass	Norbeck	Trammell
Bleas	Harris	Norris	Tydings
Borah	Harrison	Nye	Vandenberg
Bratton	Hawes	Oddie	Wagner
Brookhart	Hayden	Pine	Walsh, Mass.
Capper	Heflin	Ransdell	Walsh, Mont.
Caraway	Howell	Sackett	Waterman
Couzens	Johnson	Sheppard	Wheeler
Cutting	Jones	Simmons	

NOT VOTING—24

Brock	Kendrick	Pittman	Smith
Broussard	King	Robinson, Ark.	Steck
Connally	McMaster	Robinson, Ind.	Thomas, Okla.
Copeland	Metcalf	Schall	Walcott
Edge	Overman	Shipstead	Warren
Glenn	Patterson	Shortridge	Watson

So the amendment of the committee was rejected.

The VICE PRESIDENT. The clerk will report the next amendment.

The CHIEF CLERK. On page 66, paragraph 312, line 19, the committee proposes to strike out "sashes, frames, and building forms," and insert "sashes and frames," so as to read, "sashes and frames of iron or steel, 25 per cent ad valorem."

The amendment was agreed to.

The VICE PRESIDENT. The clerk will report the next amendment.

The CHIEF CLERK. The next amendment is on page 66, paragraph 312, line 21, where the committee proposes to strike out "one-fifth" and insert "three-tenths," so as to read:

Sheet piling, three-tenths of 1 cent per pound.

Mr. BARKLEY. Mr. President, this is the same proposition as that just voted on, so there is no use wasting time on it.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was rejected.

The VICE PRESIDENT. The clerk will report the next amendment.

The CHIEF CLERK. On page 69, paragraph 316, line 8, the committee proposes to strike out the words "or platinum" and insert the words "platinum, tungsten, or molybdenum," so as to read:

All wire composed of iron, steel, or other metal not specially provided for (except gold, silver, platinum, tungsten, or molybdenum).

Mr. SMOOT. Mr. President, it makes so very little difference in platinum, tungsten, and molybdenum that I do not see why the item should go over; although, if those interested in platinum want to have it go over, I will ask that it may go over to-day.

Mr. MCKELLAR. What difference does it make?

Mr. REED. There is an increasing use of tungsten and molybdenum wire in incandescent lights and radio tubes, and it was felt that they ought not to be treated as ordinary wire but ought to have a separate treatment.

Mr. BARKLEY. By making the exception in parenthesis, where does that put the platinum, tungsten, and molybdenum?

Mr. REED. On page 70, line 4, the Senator will see it.

Mr. SMOOT. It is an ad valorem rate of 60 per cent.

Mr. BARKLEY. Which is an increase from 45 per cent as provided in the present law.

Mr. REED. All those metals are very high in price and they are drawn very fine. Of course, they sell far higher than the ordinary wire products mentioned in the remainder of the paragraph. There is every reason for treating them just like gold and platinum wire.

Mr. BARKLEY. But these metals are used very largely in the radio industry, and any increase in the tariff rate will operate as a penalty upon the radio industry and upon the users of the radio.

Mr. REED. Yes; probably to the extent of about a fraction of a cent on each set.

Mr. SMOOT. Mr. President, there are increases in some cases, but in other cases there has been no increase. The duty on wire in strips has been increased.

Mr. BARKLEY. Under the present law, I understand that the articles contained in that subsection (b) on page 70 are carried very largely in the basket clause.

Mr. SMOOT. They used to be carried in the basket clause, with the exception of the wire. On page 70, line 17, "all wire fencing and all wire netting" have been in the basket clause under existing law.

Mr. BARKLEY. But what I am talking about is the item in line 9; and also the item in line 21, where appears the same language in parentheses. Those items are put over in subsection (b) on page 70 with an increase from 45 to 60 per cent.

Mr. REED. Mr. President, this is an increase, all right; but the condition of the business is such that the increase is fully justified. The imports have mounted very high and the articles are coming in at prices with which American manufacturers can not compete.

Mr. BARKLEY. What are the imports and what is the domestic production?

Mr. REED. I do not know; the statistics do not show, because this year's figures have not been compiled as yet.

Mr. BARKLEY. There are no facts upon which to base the increase?

Mr. REED. Nothing except the statement of the Tariff Commission, as follows:

The importation of the articles mentioned has increased manyfold since August, 1928. The developments in the use of these articles in the past year have led to their extended production abroad and their importation at prices which domestic producers are unable to meet.

Mr. BARKLEY. Is there any information before us to the effect that there is any domestic production? Of course there would be an enormous increase of importations of any product not being produced in this country which was used by a new invention and on which a new industry might depend, and I have a suspicion that that is the condition here; that there is no domestic production to speak of and that the importations have grown because the American industry which they affect demands them. If that is the fact it certainly ought not to carry an increased rate.

Mr. SMOOT. I want to call the Senator's attention to the fact that tungsten ore carries a rate of duty under this bill of 180 per cent, and ferrotungsten carries about the same rate.

Mr. BARKLEY. We can not deal with that at this time.

Mr. SMOOT. We have got to deal with it in this paragraph because tungsten ingot and scrap are in this paragraph. It provides a duty of only 60 per cent, and duty on the ingot and scrap of molybdenum is 60 per cent, while in the present law it was 50 cents a pound and 15 per cent ad valorem. It is true that the duty on the other forms have been increased from 40 per cent to 60 per cent and, of course, that ought to be taken into consideration in connection with tungsten ore and also the alloys.

Mr. BARKLEY. We have reduced the tariff on tungsten ore.

Mr. SMOOT. We do not know whether that will stand or not.

Mr. BARKLEY. Did that go over?

Mr. SMOOT. It went over.

Mr. BARKLEY. The committee recommended that the duty be reduced, and I do not understand why, on a basis of a reduced rate on tungsten ore, the base metal, it is proposed to increase the duty on the finished product.

Mr. SMOOT. I think that perhaps it had better go over until we decide as to the rate on tungsten ore.

The VICE PRESIDENT. Without objection the amendment will be passed over. The next amendment will be stated.

The LEGISLATIVE CLERK. On page 69, at the beginning of the line 21, it is proposed to strike out the words "or platinum" and insert the words "platinum, tungsten, or molybdenum."

Mr. BARKLEY. That also should go over.

Mr. SMOOT. Yes.

The VICE PRESIDENT. The amendment will be passed over. The next amendment was on page 70, after line 3, to insert a new paragraph as follows:

(b) Ingots, shot, bars, sheets, wire, or other forms, not specially provided for, or scrap, containing more than 50 per cent of tungsten, tungsten carbide, molybdenum, or molybdenum carbide, or combinations thereof, 60 per cent ad valorem.

Mr. McKELLAR. Should not that take the same course?

Mr. SMOOT. Yes; let that amendment go over.

The VICE PRESIDENT. The amendment will be passed over. Will the Senator from Utah state the next amendment which he desires considered?

Mr. SMOOT. The next amendment is on page 70, beginning in line 17.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 70, paragraph 317, at the beginning of line 17, it is proposed to insert:

All wire fencing and all wire netting, whether galvanized or not, composed of wires smaller than eight one-hundredths and not smaller than three one-hundredths of 1 inch in diameter, nine-sixteenths of 1 cent per square foot: *Provided*, That all wire fencing and all wire netting whether galvanized or not, of a mesh 1½ inches or greater, composed of wire of a diameter not greater than four and one-half one-hundredths of 1 inch and not smaller than three one-hundredths of 1 inch, shall be subject to a duty of five-sixteenths of 1 cent per square foot.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. SMOOT. I will make a statement regarding the amendment. The classification is changed by the Senate committee from the blanket paragraph covering articles of metal not otherwise specifically provided for in paragraph 398, and specific provision is made for wire fencing composed of wires smaller than eight one-hundredths of an inch, the previous minimum size limit in paragraph 317. The rate is increased by the Senate Committee from 50 per cent to an approximate equivalent of 90 per cent.

The imports are equal to over 20 per cent of the domestic production, and are increasing. Competition with foreign wires, on a price basis, is severe. Prices of imported hexagonal wire netting—f. o. b. United States port, ex-duty—are only slightly more than one-half of the prices of a comparable domestic product in the United States.

In meeting foreign competition manufacturers in the United States of wire netting are operating at a loss. That is the reason for the increase.

Mr. BARKLEY. Mr. President, this is what in common parlance is called chicken wire?

Mr. SMOOT. It has various uses.

Mr. BARKLEY. Of course it has various uses, but it is used very largely in the construction of chicken coops and chicken wire fences.

Mr. SMOOT. That is true.

Mr. BARKLEY. And the rate of duty is increased from 50 per cent to 90 per cent. The present rate on this wire is the equivalent of 50 per cent. By this amendment we increased it to 90 per cent, and I do not see that the imports have been serious enough to justify that sort of an increase. Some increase may be justified, but it strikes me that an increase of nearly 75 per cent of the present tariff is too high.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. I yield.

Mr. NORRIS. I wish the Senator would make plain the various provisions regarding different kinds of wire. The wire described in the amendment now under consideration is at least partially, I take it, the ordinary chicken wire?

Mr. BARKLEY. That is correct.

Mr. NORRIS. Well, where is provision made for the wire that is used for ordinary wire fencing? Has not that been on the free list?

Mr. BARKLEY. That is in another paragraph of the bill, I will say to the Senator.

Mr. NORRIS. Has the committee put a tariff on barbed wire?

Mr. SMOOT. Barbed wire is on the free list.

Mr. NORRIS. That is what I understood. It is on the free list, on the theory, I suppose, that we wanted to benefit agriculture.

Mr. SMOOT. It has been on the free list heretofore.

Mr. NORRIS. I know it has.

Mr. SMOOT. I think what the Senator says as to agriculture is true.

Mr. NORRIS. I am not mentioning that in any spirit of criticism; I think it is commendable; I think that is what we had in view to try to do something for agriculture; but in this instance when the farmer wants a wire fence for his chickens, it is proposed to increase a tariff that is already 50 per cent to 90 per cent.

Mr. SMOOT. Some of the wire referred to is used for that purpose; and it is used for other purposes, such as tennis back-

stops, and for dozens of other things. It is true that it is sometimes called chicken wire.

Mr. NORRIS. The sizes of the wire mentioned make it rather confusing to identify them. I wonder if this is not the kind of wire netting that is also used by the farmers for corncribs?

Mr. SMOOT. I do not think so. I do not think it would be heavy enough for that.

Mr. NORRIS. The farmers are using ordinary chicken wire; I have seen them use very fine wire for that purpose. I might be mistaken. If I could see the wire, I could state positively.

Mr. SMOOT. It may be used for that purpose, perhaps.

Mr. NORRIS. There are thousands and thousands of corncribs made out of this kind of wire I think. Such corncribs can be constructed in an hour or so, and torn down in the same length of time, and the wire be used for something else.

Mr. SMOOT. I think this variety of wire is a little light for that purpose.

Mr. NORRIS. It may be that it is; but I think, nevertheless, it is used for that purpose.

Mr. BINGHAM. Mr. President, will the Senator from Nebraska yield to me?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. NORRIS. I yield.

Mr. BINGHAM. Mr. President, on most poultry farms, particularly the large ones, and for fencing a heavier wire is used, similar in character to that used to keep pigs out, and so on. The wire here referred to is a wire netting, which, as the Senator says, is strictly referred to as chicken netting, which is used largely by people in the suburbs who want to make small inclosures for their chickens. It is also used quite extensively instead of laths for small stucco houses.

The figures given by the Tariff Commission do not show the difference between the two kinds of wire. As a matter of fact, imports of this type of so-called chicken netting have been increasing very rapidly recently, and it has been laid down at a price of about one-half of the cost of domestic production.

I understand that there are about 11 factories that produce this small chicken netting. I happen to be particularly interested in it, because there is one town in Connecticut which makes practically nothing else, where this is the principal industry; and that town will be faced with destruction if its market continues to be eaten into as rapidly as it has been eaten into recently. So the paragraph was drawn in such a way as to protect this industry and at the same time not to strike at the poultry industry, because in the poultry yards, particularly, as I have said, where the poultry is raised on a large scale, they use a much heavier type of netting.

Mr. NORRIS. Mr. President, there may be, and I think perhaps there is, some dispute as to the uses to which this wire is put. I am sorry we do not have a sample of it here.

Mr. BINGHAM. May I say to the Senator that in 1928 the domestic production was 1,660,000 bales, or about half of the capacity of the 11 American factories? The industry employs about 2,000 men. This was brought out in the House hearings. In 1928 the imports were about 22 per cent of the domestic production, or 367,000 bales. The imports are steadily increasing, and from the latest figures, which have been brought to my attention by those who have been making this wire, it is shown that Germany is succeeding in making it so much cheaper than we can that carload lots of this kind of wire are being sent to various parts of the United States and that the domestic market is being rapidly taken over by the foreign importer.

Mr. NORRIS. Mr. President, let me ask what per cent of the production of this wire is imported?

Mr. BINGHAM. About 22 per cent in 1928.

Mr. NORRIS. Let us say, in round numbers, 20 per cent. We are manufacturing 80 per cent of what we use, as I understand, and importing 20 per cent. That is not a very bad condition. If we are doing that, we are probably keeping alive a pretty lively competition in this product; but I want to call the attention of the Senate to another thing that is ignored all the time, day after day and hour after hour, in the facts that are produced here before the Senate to substantiate a rate: There is not a word said about the consumers.

They say, "Here is a town that is making this wire, and they do not make anything else; and if you do not raise this tariff to 90 per cent they can not make this wire. They will have to quit."

You assume that the purchasing power of the consumer of that wire is unlimited. You have not taken him into the equation at all; but you have gone on the theory that what these people say is 100 per cent correct, to begin with. They are interested parties. That may be true; but everybody who has

ever had any experience in taking evidence in the trial of lawsuits knows that if you have an ex parte case, where only one side is represented, the judge or the jury ought to make great allowance for the evidence unless the court itself examines the witnesses as an opposing counsel would do if he were there representing somebody.

It does not follow, of course, that the ex parte witness is telling a falsehood. He may be a man so honest and so fair that his testimony would be just the same even if he were cross-examined at length. But human nature, by and large, will convince any man that on the average, when you are trying something on ex parte evidence, unless you go into an examination of the willing witnesses who are directly interested in the result you will not get a fair judgment or a fair verdict.

Mr. McKELLAR. Mr. President—

Mr. NORRIS. We have here the statement, made by the men who are financially interested in this matter, that unless we make this duty 90 per cent they will have to go out of business. If we assume, to begin with, that that is true, it may be that they ought to go into some other business.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I will yield to the Senator in just a moment.

If I had enough money, I could go down here on Pennsylvania Avenue and buy a block—it would cost an awful lot of money—tear down the buildings, build a glasshouse covering over that block, and go into the banana business; and I could come to Congress and say, "Unless you put bananas at such and such a rate I shall have to go out of the business," and tell the truth.

Where is the evidence about how these people manufacture? Are they efficient? Are they modern? Or are we taxing the farmers and the poultry raisers of this country to sustain inefficiency? We have not enough evidence to justify us in putting on this tariff, even if the consumers could afford to pay it.

But let us take the consumer's side of the matter now. We have been trying to do something, and we have been boasting about what we wanted to do, for the farmer. The little poultry raiser is a farmer. We have admitted, and everybody concedes, that he does not get a square deal under our tariff system. The President has called this session in part to equalize agriculture and industry as far as the tariff can do it. We promised to do it in a platform that we spread before the people, and solemnly said we would carry out the provisions of the platform and redeem our pledges. Here is a place where we can do it.

Mr. BARKLEY. Mr. President—

Mr. NORRIS. If we have a contest between the producer who says he must be given a tariff of 90 per cent and the farmer and the poultry raiser whose interests we said we wanted to protect and we were called here to protect, then we ought to decide it in favor of the consumer. He can not afford to pay the price that we are piling up and piling on and piling on until he is broken down.

I yield first to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, my desire was to call the Senator's attention to the fact that his argument in favor of the consumer was particularly potential, as it seems to me, in this case because that consumer is the small farmer or the poultry raiser throughout the country.

Mr. NORRIS. Yes.

Mr. McKELLAR. But the Senator has already called the attention of the Senate to that fact, and I have nothing further to say.

Mr. NORRIS. I yield next to the Senator from Kentucky [Mr. BARKLEY], who desired to interrupt me a moment ago.

Mr. BARKLEY. Mr. President, in line with what the Senator was saying, I simply had in mind the fact that those who have framed this measure and sponsor it have made the statement, and reiterated it over and over, that it is not their desire to prevent importations to some extent; and yet wherever we find in this bill an article where the present duty permits some importations, even though those importations may be localized, we find a strenuous effort to raise the tariff sufficiently so that they can not even come in for local purposes.

Mr. NORRIS. An effort to raise an embargo.

Mr. SMOOT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. Yes; I yield.

Mr. SMOOT. I think what the Senator has said applies particularly to this item to some extent. If we should amend the bill on line 20, page 70, by striking out "nine-sixteenths" and

inserting "three-eighths," and on line 2, page 71, by striking out "five-sixteenths" and inserting "one-fifth," that would make the rate a little less than 60 per cent, as nearly as I can tell, instead of 90; and I will ask the Senators on the other side if that would be satisfactory?

Mr. NORRIS. Suppose this amendment were defeated; then the existing law would go into effect. That is about 40 per cent, is it not?

Mr. SMOOT. Yes; the existing law is 40 per cent.

Mr. NORRIS. Well, that is too much.

Mr. SMOOT. But the importations are exceedingly heavy, Mr. President.

Mr. NORRIS. About 20 per cent is imported. That is not a very bad arrangement. I would rather have it a little less; but there is not any evidence here but that these people could produce at much less and meet competition if they were efficient and conducting their business in the right way.

A case has not been made out in favor of this tariff by any means. Because somebody comes along and tells us, "If you do not give me 100 per cent tariff here I will go out of business," we tumble over each other to give it to him, regardless of what he is making, how he is making it, whether he is efficient, or whether, as a last resort, all of us are paying an enormous tariff in order to give him a profit.

If we have to tax our people who toll on the farms and on these little chicken ranches 100 per cent for the things they must have to carry on their business, it seems to me it would be better to let the product come in free, if there is nobody who is going to be able to make it cheaply enough to compete with the German manufacturers.

I can not believe, Mr. President, that in any steel product we are not able to compete with the world—wire or anything of that kind. We are able to compete with the world.

Mr. BLAINE. Mr. President, I merely want to call attention to the report of the Tariff Commission, found in the Tariff Summary on page 676, treating paragraph 317. This is the language that the Tariff Commission uses:

American manufacturers have distinct advantages in an abundant and relatively cheap supply of the chief raw materials—iron and steel wire and zinc for galvanizing—and in an industry well organized for large-scale production. The location of the domestic manufacturers gives them selling and transportation advantages in the American market.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. BLAINE. I do.

Mr. SMOOT. The part of the Summary of Tariff Information that the Senator is now reading has reference to fencing wire, not chicken wire.

Mr. BLAINE. It is the only information we have. It has reference to the wire described in the tariff act of 1922 under paragraph 317, as I understand.

Mr. SMOOT. Chicken wire to-day is under the basket clause, and it is taken from the basket clause.

Mr. BLAINE. But, I say, it has reference to this wire.

Mr. SMOOT. No.

Mr. BLAINE. The same advantages apply to the manufacturing of chicken wire. There is another large class of wire that is used in the sieves of thrashing machines and fanning mills, and in strainers and a multitude of similar uses. The wire that is discussed by the Tariff Commission is practically the same wire that is covered by the amendment proposed. True, it is a different gage and may be a different mesh; but the conditions relating to the manufacture of wire as described in the act of 1922 certainly are identical with respect to the proposed amendment. I can see no difference.

Mr. SMOOT. The wire to which the Senator refers is found in paragraph 318.

Mr. BLAINE. The commission is discussing paragraph 317.

Mr. SMOOT. Yes; but the wire the Senator is discussing is found in paragraph 318—

Woven-wire cloth, gauze, fabric, or screen made of wire composed of steel, brass, copper, bronze—

And so forth.

Mr. BLAINE. No; I am quoting from the comments of the commission made in discussing the wire described in paragraph 317. Has the committee changed the number of the paragraph?

Mr. NORRIS. No.

Mr. BLAINE. The commission are discussing this kind of wire. What I am stating is that the wire they are discussing is of practically the same character as the wire described in the amendment. There is, of course, a difference in the gauge; but that is an inconsequential difference when it comes to the advantages referred to by the Tariff Commission.

I simply wanted to call the attention of the Senate to that report.

Mr. BINGHAM. Mr. President, as the Senator from Utah [Mr. Smoot] has just pointed out, the Tariff Commission states in the Summary of Tariff Information, in discussing paragraph 317, that—

While poultry netting is one form of wire fencing, neither it nor the wire from which it is constructed is included in the paragraph of the act of 1922 which provides specifically for fencing wire.

The factories making the particular kind of wire netting included in this paragraph are located, according to the testimony before the Senate committee, at Georgetown, Conn.; Blue Island, Ill.; Worcester, Mass.; Clinton, Mass.; Trenton, N. J.; Cortland, N. Y.; Muncie, Ind.; Peoria, Ill.; Joliet, Ill.; DeKalb, Ill.; Pueblo, Colo.; Oakland, Calif.; and Pittsburg, Calif.

The statement, made under oath and subject to cross-examination, before the subcommittee of the Senate Finance Committee, and printed on page 1164 of the hearings, shows that the foreign cost as compared to the domestic cost is as \$35.78 to a domestic cost of \$74.23. Adding the 50 per cent ad valorem duty proposed in the House bill in the basket clause, the landed cost of the foreign article would be \$53.66, which is \$20 less than the domestic cost.

The duty asked for will not compensate entirely for the difference between the cost of production at home and abroad. It will not compensate for the difference between the cost in the 11 American factories and the cost of this wire as made in Germany.

Surely the Senator from Nebraska did not mean quite what he said when he stated, as I understood him to say a few moments ago on the floor, that if we could not make this article in America as cheaply as they could make it in Germany we ought not to try to make it at all. That is as good as saying to the American laborer and the American working-man working in these factories, "If you will not work as cheaply as the man works in Germany, you had better go into some other kind of business." Surely that is not the basis on which we believe in a protective tariff.

Mr. President, I hope very much that this amendment may be adopted as drawn and as proposed by the Senate committee, for it is of the utmost importance to this industry, the imports are very rapidly increasing, and the sales of these different companies located as I have shown all over the United States are seriously threatened, and the workmen engaged in making this wire are in danger of losing their jobs.

Mr. NORRIS. Mr. President, the Senator from Connecticut puts up a straw man and knocks him down. In this case I constitute the straw man. He puts words into my mouth which I have not uttered. He has me expressing a sentiment in which I do not believe, and which I do not announce now, never have announced, and I hope I never will. And then, having set up that straw man, he makes an argument to show how foolish he is. And having had that advantage, of putting forth what his opponent has said, he succeeds in demolishing the argument. I hope I may be allowed to present my own argument.

Mr. President, in the first place, it seems to me that to a great extent, as to all interior points, at least, freight alone will be ample protection to anyone manufacturing this wire fencing. In the next place, it is wire fencing. It says so in so many words in the amendment itself. It says, "All wire fencing and all wire netting."

Probably the size of the mesh may be one thirty-second or one-sixteenth of an inch less or greater than some other wire mesh mentioned in a preceding statute or at some other place in this measure. Yet that it is fencing there can be no doubt, and from the size of it, it seems to me it is the proper mesh to build around a chicken yard. Practically every farmer in the United States has some of it, and uses it. All little chicken farmers use hundreds of dollars worth of it. It is their stock in trade. They must have it in their business. They are the fellows we said we were going to help to equalize with the manufacturers.

Does the Senator from Connecticut mention the consumer? Does he give him as a reason why we should have this tariff of practically 100 per cent? No; he does not think of him. The President called this session of Congress to give the farmer equalization with the manufacturer. Now comes the representative of the manufacturer and says, "We must have this regardless of what it costs the farmer."

Mr. President, there is a limit—and that is the idea I have tried to convey, and the Senator from Connecticut, with his usual ingenuity, misconstrued it—there is a limit beyond which people engaged in the production of the food we must have to

live can not go. You can put the burden of taxation upon their backs until they will be crushed to earth, until the very ones who produce the food to feed the world and feed this country, upon which we must live, will be driven out of business by our taxation.

One hundred per cent on the little fellow who wants to raise some chickens! One hundred per cent on the very farmer you said you had come here to Washington to relieve from his burden, increasing by 50 per cent—yes; nearly 60 per cent—the tax that is already levied upon him.

It is said, "In this town up in Connecticut these fellows will have to do something else." In the first place, I do not think they will. They have not done anything else yet that I have heard about but make wire, and if this amendment is defeated the existing law will remain on the statute books.

Mr. President, we can make these tariff rates so high as to kill the goose that lays the golden egg. I implore Members of the Senate, who long have been proclaiming and reechoing what the President said in the campaign, to carry out what they said at Kansas City, that they were going to equalize the agricultural industry. Here is an item where industry has a tariff upon agriculture of 50 per cent. Instead of taking it off you are now proposing to add another 50 per cent. Can it be justified by the promises we have made to agriculture and to the farmer? Instead of giving him relief, we are asked to double his burdens.

Mr. President, this amendment ought to be defeated. I am sorry that there are so few Senators here, due to the lateness of the hour, and I give notice now that if it is not defeated I will call for a vote on it when the bill gets into the Senate, and when a larger number of Senators can be here to listen to the debate.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was rejected.

The next amendments were, on page 71, line 25, after the word "foregoing," to strike out "(not provided for in paragraph 327)"; on page 72, line 2, after the word "made," to insert "(except by casting)"; in line 3, after the word "inches," to strike out "in diameter" and insert "at the largest inside diameter (exclusive of nonmetallic lining)."

Mr. BARKLEY. What would be the effect of the amendment on line 25, page 71?

Mr. SMOOT. The Senator will notice on line 2, page 72, the words "(except by casting)." This is a little better language, and the draftsmen asked us to make a change.

Mr. BARKLEY. Very well.

Mr. SMOOT. As I have already explained, the draftsmen think the amendment on line 2, page 72, is very much better wording than the provision on page 71 at the bottom of the page. It means exactly the same thing, but the draftsmen say it is very much better wording.

Mr. BARKLEY. Is the Senator talking about the amendment at the bottom of page 71, or in lines 3 and 4, on page 72?

Mr. SMOOT. It is exactly the same.

Mr. BARKLEY. I have no objection.

Mr. SMOOT. The amendment on line 3, page 72, is intended to prevent any doubt as to the administration.

The VICE PRESIDENT. The question is on agreeing to the amendments.

The amendments were agreed to.

The next amendment was, on page 72, line 6, to strike out "40 per cent" and insert "50 per cent," so the paragraph would read:

PAR. 319. (a) Iron or steel anchors and parts thereof; forgings of iron or steel, or of combined iron and steel, not machined, tooled, or otherwise advanced in condition by any process or operation subsequent to the forging process, not specially provided for, 25 per cent ad valorem.

(b) Autoclaves, catalyst chambers or tubes, converters, reaction chambers, scrubbers, separators, shells, stills, ovens, soakers, penstock pipes, cylinders, containers, drums, and vessels, any of the foregoing composed wholly or in chief value of iron or steel, by whatever process made (except by casting), wholly or partly manufactured, if over 20 inches at the largest inside diameter (exclusive of nonmetallic lining) and having metal walls $1\frac{1}{4}$ inches or more in thickness, and parts for any of the foregoing, 50 per cent ad valorem.

Mr. McKELLAR. Mr. President, will the Senator explain why that increase is made?

Mr. SMOOT. In just a moment.

Mr. REED. Mr. President, while the Senator from Utah is looking for his papers, let me say a word about the amendment.

In the oil-refining business and in a part of the chemical industry there is now a necessity for these large chambers with

great strength. They are practically cannon with closed muzzles. They can only be made in a forging plant such as is suitable for forging artillery. The Midvale Steel Co., for example, makes them in its forging plant, and then machines them, and the process of manufacture is exactly the same as that of a cannon, except that the muzzle being closed, the contents, which are detonated inside the chamber, remain there and are not expelled as in a cannon.

The principal competition has come from the Krupp works in Germany, who turned their cannon plant into a plant for making these things. As in the manufacture of artillery, there is a great deal of labor involved in the machining. It has to be done with great precision, just exactly like the building of a big naval gun or a big piece of land artillery. We got a lot of Krupp price lists and the details showing where they had shipped, and about 25 per cent of those things which are being used in the United States are now coming from Germany at prices substantially less than the cost of production here.

The Midvale Steel Co. came to us and asked us for a considerable increase over the present 40 per cent.

Mr. SMOOT. They asked for 75 per cent.

Mr. REED. I thought it was even more than that. They asked for 75 per cent, but the price lists we got from the Krupp factory and the demonstrated cost of the production here seemed to us to justify an increase. We gave them much less than what they asked, but I really think that the advance from 40 to 50 per cent is justified.

From the standpoint of the national defense it is important that we keep alive some of those plants that can make large guns. As Senators know, we make most of our naval guns at the Watervliet Arsenal, and private industry has no chance to get that kind of business. If there should be another war it would be greatly to our advantage to have a private concern equipped to do that, and while we did not want to give them too much, and did not want to make a bonanza out of it, we did think that 50 per cent was justified.

Mr. SMOOT. There are only two concerns in the United States that make these chambers.

Mr. BARKLEY. The range of duties is from 35 to 40 per cent. The maximum duty is 40 per cent. The Tariff Commission advises us that there are practically no imports coming in, that they made an effort to find out if there were, and could not find that there were any, or to what extent they were coming in.

Mr. REED. Mr. President, I beg the Senator's pardon. I have a memorandum from the Tariff Commission, and this is the last paragraph of it:

There are but two domestic firms producing these chambers, and these have met severe competition, especially from Krupp, the large German gun manufacturers. Imports probably amount to about 25 per cent of domestic consumption. Manufacturers requested the equivalent of about 75 per cent ad valorem, and it is thought that sufficient encouragement should be given this industry to assure that its facilities will be available for the production of ordnance.

Mr. BARKLEY. That information is evidently correct if obtained subsequent to the preparation of the memorandum I have, which comes from the same source. But even if a considerable portion of these articles are coming in at 25 per cent and ranging up to 40 per cent, the House takes the one rate of 40 per cent, which is an increase on all coming in below 40 per cent at this time, and then the committee adds 10 per cent more.

Mr. SMOOT. There was a question as to the rate of duty which was imposed under existing law. The Senator referred to the 25 per cent under paragraph 328 of the act of 1922, from iron and steel tubes not specially provided for. That is only 25 per cent. After that it was 30 per cent in paragraph 372, all other machines and parts thereof, and 40 per cent in paragraph 399, manufactures of metal not specially provided for.

Mr. BARKLEY. That bears out my suggestion that there is a variation in the rate under which all of these articles are coming in at this time.

Mr. REED. It is not a variation. It is a dispute as to which of the three paragraphs these items ought to fall into. Obviously, to import an article of that size and description is not within the meaning of the word "tubes" as Congress intended it.

Mr. BARKLEY. Where is that dispute pending?

Mr. REED. I do not know whether it is in the Treasury Department or whether it has gone to the courts.

Mr. SMOOT. It is almost impossible, I am informed, in some cases to determine under which paragraph they really come.

Mr. BARKLEY. There will be no doubt about it if we put the rate up to 50 per cent. There will be no doubt about the fact that it is an increase over the rate at this time ranging all the way from 60 per cent to 100 per cent.

Mr. SMOOT. Oh, no; if it was 40 per cent, it would be a 25 per cent increase. As I said, there are only two institutions which make this class of goods in the United States. During the war they were about the only people who could make any ordinance for us at all. We felt justified in having the increase in order that they might proceed.

The PRESIDING OFFICER (Mr. Fess in the chair). The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The LEGISLATIVE CLERK. The next amendment is on page 74, line 9, after the word "ad valorem," where the committee proposes to insert "molders' patterns, of whatever material composed, for the manufacture of castings, 50 per cent ad valorem."

Mr. McKELLAR. Mr. President, let us have an explanation of the amendment.

Mr. SMOOT. The result of the change by the Senate committee is to provide for molders' patterns, regardless of the material of which made, in one specific classification, thus facilitating administration and statistical control. The rates of duty were increased somewhat, as I have indicated.

There are a number of paragraphs, and I want to call attention to them and the rates of duty. Under paragraph 399 of the act of 1922 manufactures of metal not specially provided for carried a rate of 40 per cent. Under paragraph 398 of the present bill manufactures of metal not specially provided for carry a rate of 50 per cent, and in paragraph 413, molders' patterns wholly or in chief value of wood and not specifically provided for carry a rate of 40 per cent.

The Senate committee in paragraph 327 provides, "molders' patterns, of whatever material made, for the manufacture of metal castings," or similar wording, 50 per cent. The phraseology respecting molders' patterns in paragraph 413 of H. R. 2667 was stricken out by the Senate committee.

The testimony indicates that labor constitutes the principal item of cost of manufacture of this commodity and that 6½ per cent of the patternmakers in the United States are normally unemployed. The Pattern Makers' League of North America, affiliated with the American Federation of Labor, requested a duty of 100 per cent. It was stated that patterns may be made of wood, metal, wax, plaster, or papier-mâché. The action of the Senate committee grants increases in rates of duty to only a limited extent as compared to rates requested and is designed to give reasonably adequate protection to a highly skilled and essential trade.

Mr. McKELLAR. What does the present law carry in the way of a rate?

Mr. SMOOT. It is 40 per cent. The Senator will remember that in 1922 when this same question arose the rollers were brought in to show the committee that nearly all, or about 95 per cent, of it was handwork. It can not be done in any other way. The men themselves came here and pleaded for 100 per cent in order to save the industry, but the committee did not give it.

Mr. BARKLEY. Mr. President, I wish to say that I do not see any serious objection to the increase. I am informed that one pattern made by this method can be used for many moldings. I see no objection to the increase.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 76, line 13, after the word "pound," to strike out "upholsterers' nails, chair glides, and thumb tacks, of two or more pieces of iron or steel, finished or unfinished, 3 cents per pound" and insert "upholstery nails, chair glides, thumb tacks, and drawing pins, with heads assembled to shanks, whether finished or unfinished, made wholly or in part of iron or steel or other base metal, 40 per cent ad valorem," so as to read:

PAR. 331. Cut nails and cut spikes, of iron or steel, exceeding 2 inches in length, four-tenths of 1 cent per pound; cut tacks and brads, hobnails and cut nails, of iron or steel, not exceeding 2 inches in length, 15 per cent ad valorem; horseshoe nails, and other iron or steel nails, not specially provided for, 1½ cents per pound; upholstery nails, chair glides, thumb tacks, and drawing pins, with heads assembled to shanks, whether finished or unfinished, made wholly or in part of iron or steel or other base metal, 40 per cent ad valorem.

Mr. McKELLAR. Mr. President, does that involve an increase?

Mr. BARKLEY. It is a decrease, I understand. The present rate is in the neighborhood of 50 per cent and this gives an ad valorem of 40 per cent.

Mr. HARRISON. On upholsterers' nails the memorandum I have shows 25 per cent. Is that it?

Mr. SMOOT. Under the act of 1922 upholsterers' nails, of iron or steel, carried a rate of 1½ cents per pound; upholsterers' nails of nonfinished metal, 40 per cent; both as the Senate committee now provides. Thumb tacks and drawing pins carried a six-tenths of a cent per pound in the act of 1922. The House gave them 3 cents per pound and the Senate committee gives them 40 per cent.

Mr. HARRISON. So there is an increase on upholsterers' nails from 25 per cent to 40 per cent?

Mr. SMOOT. Upholsterers' nails of iron and steel are increased from an equivalent ad valorem duty of about 10 per cent to an equivalent ad valorem duty of about 20 per cent. That is true as to these nails.

Mr. NORRIS. Are thumb tacks increased?

Mr. SMOOT. Thumb tacks and drawing pins are reduced from an equivalent ad valorem rate of about 40 per cent in the act of 1922.

Mr. HARRISON. May I call attention to the fact that thumb tacks if made of steel are increased and if made of brass they are decreased.

Mr. BARKLEY. When I suggested a moment ago that this was a decrease, I meant that it was a decrease below the House rate. It seems to be an increase above the present law.

Mr. SMOOT. I thought that was what the Senator said.

Mr. HOWELL. Mr. President, from the Summary of Tariff Information it appears that all of the nails and tacks referred to here have been covered heretofore by not to exceed a corresponding ad valorem rate of 15 per cent and now it is raised to 40 per cent. I refer the Senator from Utah to page 714 of the Summary of Tariff Information.

Mr. SMOOT. I do not think they were specifically provided for. I am not sure of it, however.

Mr. HOWELL. On page 714 of the Summary of Tariff Information the corresponding ad valorem rate on all of the tacks and nails is referred to, and the highest I can find is 15 per cent.

Mr. SMOOT. The act of 1922, paragraph 330, reads as follows:

Cut nails and cut spikes, of iron or steel, exceeding 2 inches in length, four-tenths of 1 cent per pound; cut tacks and brads, hobnails and cut nails, of iron or steel, not exceeding 2 inches in length, 15 per cent ad valorem.

That is only applied to cut tacks and brads, hobnails and cut nails.

Horseshoe nails and other iron or steel nails, not specially provided for, 1½ cents per pound; nails, spikes, tacks, brads, and staples, made of iron or steel wire, not less than 1 inch in length nor smaller than sixty-five one-thousandths of 1 inch in diameter, four-tenths of 1 cent per pound; less than 1 inch in length and smaller than sixty-five one-thousandths of 1 inch in diameter, three-fourths of 1 cent per pound; spikes, tacks, brads, and staples, not specially provided for, six-tenths of 1 cent per pound.

There is no limitation of 15 per cent.

Mr. HOWELL. What is the corresponding ad valorem duty?

Mr. SMOOT. On which one?

Mr. HOWELL. The highest corresponding ad valorem duty.

Mr. SMOOT. Three cents per pound as provided for in the House bill would give an equivalent ad valorem of 20 per cent. That is on upholsterers' nails of iron or steel. Does the Senator ask for thumb tacks and drawing pins? Is that what he has referred to?

Mr. HOWELL. I have reference to cut tacks, brads, wire staples, wire nails, spikes, brads, staples less than 1 inch in length and smaller than sixty-five one-thousandths of an inch in diameter.

Mr. SMOOT. I do not think there is any change in those.

Mr. HOWELL. There may be more in the items that I have read than are covered by these particular paragraphs, but the tariff information gives the maximum ad valorem rate on any of these as 15 per cent. The rate provided for in the bill is 50 per cent.

Mr. BARKLEY. Mr. President, I suggest that we let this paragraph go over because there seems to be some dispute about the facts and what the present rate is.

Mr. SMOOT. Evidently there is some dispute as to what the rates are. The Senator from Nebraska may have a part of paragraph 331 confounded with what we have in the existing paragraph. If the Senator will allow it to go over, we can look it up in the meantime.

Mr. BARKLEY. It is new language which seems to be inserted both by the House bill and by the Senate Finance Com-

mittee; so it is difficult to tell just what paragraph it comes under. We have not been able to trace it.

The PRESIDING OFFICER. Without objection, the amendment will be passed over, and the clerk will report the next amendment.

The LEGISLATIVE CLERK. On page 76, line 25, after the word "pound" and the semicolon, insert the words "staples in strip form for use in staple fasteners or stapling machines, 40 cents per pound."

Mr. MCKELLAR. May that amendment go over?

Mr. SMOOT. Yes; it may go over.

The PRESIDING OFFICER. The amendment will be passed over. The next amendment will be stated.

The LEGISLATIVE CLERK. On page 78, after line 4, the committee proposes to strike out "Par. 338. Screws, commonly called wood screws, of iron or steel, 25 per cent ad valorem."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. MCKELLAR. Mr. President, does that item go to the free list?

Mr. SMOOT. No; it goes to the basket clause.

Mr. MCKELLAR. Let us have some explanation of it.

Mr. HARRISON. There is an increase in the rate of duty.

Mr. SMOOT. There is an increase.

Mr. HARRISON. The rate in the basket clause has been increased from 40 to 45 or 50 per cent.

Mr. SMOOT. To 45 per cent.

Mr. BARKLEY. The present duty is 25 per cent. If it goes to the basket clause, it will be increased to 45 or 50 per cent.

Mr. SMOOT. To 45 per cent.

Mr. NORRIS. I should like to inquire what object there is in proposing an increase? What evidence is there that there should be any increase.

Mr. SMOOT. The Senator from Connecticut [Mr. BINGHAM] has the papers relative to the amendment. I have mislaid mine.

Mr. BINGHAM. Mr. President, I will ask that that item go over. I have not the memoranda with me.

Mr. SMOOT. Let it go over. I have mislaid my papers.

Mr. HARRISON. Mr. President, we might just as well settle this question right now if we have the facts. As I read the figures, the importations were 95,000 gross and the exportations 11,000,000 gross. Yet it is proposed to increase the rate from 25 per cent to 45 per cent.

Mr. BINGHAM. Mr. President, I should like to have the item go over if possible. The testimony brought out before the subcommittee on metals was that wood screws were being made at a loss; that there was an effort being made to try to meet foreign competition by making them at a loss; that one manufacturer had lost about \$1,000,000 in his efforts to meet foreign competition; and that is the reason why the increase was recommended. However, I repeat, I have not the papers with me.

Mr. MCKELLAR. I have no objection to the item going over, but I am very much opposed to the increase in the tariff rate. We will take a yea-and-nay vote on it when the time comes.

Mr. HARRISON. If the Senator wants to have it go over, that is all right.

Mr. SMOOT. I am going to ask that it go over, because the Senator from Connecticut has the information but it is not at this moment available.

The PRESIDING OFFICER. The amendment will be passed over. The next amendment will be stated.

The LEGISLATIVE CLERK. On page 78, after line 6, it is proposed to insert: "Par. 338. Butts and hinges, finished or unfinished, 50 per cent ad valorem."

Mr. MCKELLAR. Will the Senator give an explanation of that item? Butts and hinges are commodities used by the farmers.

Mr. BARKLEY. The amendment involves an increase from 40 to 50 per cent.

Mr. NORRIS. I should like, while the Senator from Utah is answering other questions, to have him answer another one, so that he can answer them all at once, if he will permit me to ask one. Why is this item as to butts and hinges put in as a new paragraph? Are not butts and hinges provided for in the present law?

Mr. SMOOT. Butts and hinges, provided for in paragraph 399 of the act of 1922 and in paragraph 398 of the pending bill, though not specifically mentioned therein, are now placed in a separate paragraph. The rate is increased 5 per cent above other manufactures of metal not specially provided for.

The domestic industry testified that as to 56 leading items the cost of production in Germany is about one-half the American costs. (Senate hearings, pp. 1143-1147, vol. 3.) Due to these facts the industry is gradually transferring to Germany.

The rate proposed by the Senate Finance Committee is an increase from 40 per cent under the act of 1922 to 50 per cent, which is the House rate.

Mr. HARRISON. Do the Senator's figures show that the importations of hinges in 1927 were \$19,000 and that the exportations were about \$19,000,000?

Mr. SMOOT. No; there are no figures which I have before me to that effect.

Mr. HARRISON. Those are the figures that I have from the Tariff Commission. They show that the exportations are tremendous and the importations are small, and yet an increase of 10 per cent is sought in the duty.

Mr. SMOOT. I do not know from what source the Senator gets that information. It is not in the Summary of Tariff Information.

Mr. HARRISON. Those are the figures for 1927, as I get them.

Mr. BINGHAM. Mr. President, has the Senator from Mississippi the figures for 1928? I understand the imports for 1928 have increased by over 250 per cent over the imports of 1927, and that they are rapidly increasing. One of the manufacturers who appeared before the committee testified that his company had erected a factory in Germany and he was able to give to the committee the exact cost of making these articles in Germany and in the United States. It was on the basis of the cost as given by the manufacturer, who was able to give both sides of the story, that the increase was granted.

Mr. HARRISON. The figures I have—and I repeat that I got them from the Tariff Commission—are the very latest available, are for 1927, and they are as I have stated.

Mr. BARKLEY. Mr. President, if the Senator will yield there, the imports might have increased a thousand per cent and not come within hearing distance of the exports.

Mr. REED. Mr. President, we were not able to get the figures as to the imports and exports of this particular commodity, but we felt justified in continuing the House rate of 50 per cent. We did not raise the House rate. The House had raised it from 40 to 50 per cent.

The reason why we felt justified was that we had the finest possible illustration of the comparative cost of production. There is a concern called the Stanley Co. that owns a factory in America and also owns a factory in Germany. They have exactly the same system of accounting, and their accounts are audited by Haskins & Sells in both countries.

The two factories are on an exactly comparable basis. I think it would be interesting to the Senate just for a moment to show what that comparison brings out. In the last 10 months before this witness testified the average wage paid in the American plant was 54.3 cents per hour and in the same period the same company at its German plant paid wages averaging 17.9 cents per hour, which made the German wage rate almost exactly one-third of the American wage rate.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. HARRISON. Those may be the facts as to the wages furnished by some gentleman in an ex parte manner, without approval or investigation by the commission. The item the Senator has stated does not give all the costs of production in the two countries, does it?

Mr. REED. No.

Mr. HARRISON. Will the Senator state what he would think of an increase in the rate if the facts revealed that the importations of these articles were but \$19,000 and the exports were \$19,000,000? That is evidence that ought to be taken into consideration.

Mr. REED. I do not think those figures are right. Let me go on to show why I do not think so. But, first, to finish this picture. In America the cost of the material of the cold-rolled steel which is used in their butts and hinges was \$4.149 per hundred pounds; in Germany it was \$2.406 per hundred pounds; that is to say, the German material cost 58 per cent as much as the American material.

As to other costs—I do not need to go into detail—but there was a slight advantage in favor of the German plant as against the American plant.

The net result of that is that, obviously, those people are going to make the hinges in their German plant with German labor unless we impose such a tariff as will afford at least a competitive chance for them to make them in their American plants. It does not affect them in the least; the Stanley Co. is going to be just as prosperous and going to sell just as many hinges whichever place they make them. Either in Germany or America they are ready for any change. In other words, if we cut the tariff down altogether, they will probably make more money than if we force them to make hinges here in America.

There are two or three other cases about which we learned where the situation is the same; plants have been established abroad, and they are ready to make the products there if the American Congress makes it to their interest to do so. It seemed to us that this was the sort of a picture that justified the House increase; and while we did not want to raise the rate above that provided by the House, we kept it at the figure fixed by the House.

Mr. HARRISON. Mr. President, I should dislike to ask for the yeas and nays, but I ask the chairman of the committee is he going to insist on this amendment?

Mr. SMOOT. I should prefer to have it go over than to have the vote to-night.

Mr. HARRISON. If the committee is going to insist on the amendment, we could get Senators here and have a roll call on it. I do not think, however, the Senate is going to approve a recommendation of the committee when the facts show such small importations and such tremendous exportations as are shown in this instance. So, if the committee are going to insist upon it, we can have a roll call and finish it up.

Mr. BINGHAM. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. BINGHAM. The testimony given before the House committee shows that there has been great difficulty in securing the exact facts in regard to particular importations, due to the fact that various articles have been placed together in different provisions in various tariff bills. It was the opinion expressed by one of those who appeared before the House Committee on Ways and Means that the actual importations were near \$12,000,000. It seems quite incredible that the amount should be anything like that, in view of the figures given by the Senator from Mississippi, but that is the opinion of one of those who testified before the committee. I do not vouch for the statement, but that is the opinion which was expressed. It is said that it is almost impossible to get exact facts in regard to the importation of these articles. It is known that the German product is widely sold, and that it is impossible, without an increase of the tariff, to make the articles in this country at a profit.

Mr. HARRISON. May I say to the Senator if the importations were shown to be \$12,000,000 that would be quite a difference as compared to \$19,000.

Mr. SMOOT. The figures \$12,000,000 cover all the articles in the basket clause, and not only hinges.

Mr. HARRISON. Of course, this is only one item; this is the item of hinges.

Mr. SMOOT. Every conceivable item that is not specifically mentioned falls in the basket clause, and there are \$12,000,000 of importations of all the articles in that clause.

Mr. HARRISON. It is very obvious that if all the importations amount to \$12,000,000 of all articles in the basket clause, and if hinges are merely one of the many items in the basket clause, then there were not \$12,000,000 of hinges imported.

Mr. SMOOT. That was the impression I tried to give. According to the testimony before the Ways and Means Committee, the total importations of all articles in the basket clause is approximately \$12,000,000. I have not a copy of the hearing before me at the present time, and so I am unable to state whether my notes are correct.

Mr. BINGHAM subsequently said: Mr. President, I desire to correct a statement which I made a few moments ago. I find on referring to the hearings before the Ways and Means Committee that the estimate of the imports was \$1,000,000. I stated it incorrectly at \$12,000,000.

Mr. NORRIS. Mr. President, here is another case, it seems to me, where we ought to be reminded of our promise and the object of the present session. The item is small, I concede, much smaller than that involving wire netting, but nevertheless it is one of the things which in the aggregate go to make up a vast amount of money which taken altogether constitutes a large part of the cost of living. Butts and hinges are used in building houses, stables, chicken coops, barns, and buildings of every kind, not only on the farm but in the towns and in the cities. They are paid for by those who have to work in offices, by those who pay rent. It amounts to very little, but it can be said with regard to any concrete tariff item that it amounts to very little. It amounts to very little to each person, but we have promised that we were going to equalize agriculture with manufacturing, and in one instance after another, instead of equalizing we add to the spread that already exists, due to the tariff that the farmer must pay; and in this case not only the farmer but all other people who live in houses, but the farmer more than anybody else, because he has more buildings in proportion than the laboring man or the clerk or the professional man.

We are increasing the tariff. We promised to do the other thing. We are doing just what we agreed we would not do.

We are violating our pledge. We are violating the pledge of the platform in each one of these instances; and while I am not arguing that this is any great thing, and it may create mirth that this little item should be mentioned at all—it may be said that nothing should be said about it—there are hundreds of these little items. When some one once said, "This is but a trifle," Michelangelo, the great sculptor, said, "Yes; but trifles make perfection, and perfection is no trifle."

These are only hinges. Hundreds of them are used on every farm. They are used every year by practically every farmer. You are adding to the tariff. You are increasing the spread between the farmer and the manufacturer. You are adding to the burdens of the clerk, the typewriter, and the stenographer, the professional man; you are adding to the cost of living of all our people a small item, it is true, but there have been many other small items, there will be hundreds of others; and all put together will make a burden that not only is too great to bear but is a violation of the solemn pledge that we made to the people—or that you made, anyway. Some of you are here by virtue of that pledge. We have a man in the White House who is there by virtue of that pledge; and here is an instance where you are shaving off a little of it, and you will continue to shave off a little more of it until there will be nothing left.

Mr. COUZENS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. NORRIS. I do.

Mr. COUZENS. I am impressed with the sincerity of the Senator's argument. I am not a sky-high tariff man; but the Senator assumes that all of these increased rates are going to increase the costs, although there is an abundance of evidence to show that that is not so. Many times tariff rates are increased where the price of the commodity to the consumer is not increased at all.

Mr. NORRIS. That is true. That sometimes happens. Does the Senator think it is going to happen in this instance?

Mr. COUZENS. I do not know; but before the Senator charges those things I think he ought to find out.

Mr. NORRIS. That is so general that while I admit there are exceptions to it, I have stated the general rule. Ninety times out of one hundred the tariff is added to the cost the consumer pays. That is commonly known. It is the object of the tariff to give to the manufacturer more money; and if he gets more money, the man who buys the product has to pay more money.

What is the object of this? What do you want this tariff for? Why, to help the man who makes hinges—the manufacturer. How are you going to help him? By enabling him to get a little higher price.

Mr. COUZENS. Oh, no, Mr. President!

Mr. NORRIS. How, then?

Mr. COUZENS. By preventing foreign competition from coming in and taking away his business. That is what is happening in many cases, as exhibited on the table here.

Mr. NORRIS. I do not see any difference in the two propositions.

Mr. COUZENS. Oh, yes. If the foreigner who brings in importations does not cut the price, and only maintains the American price, the consumer is not getting any benefit from these importations.

Mr. NORRIS. That is true; and sometimes the importer does not do it. I admit it. I admit that there are times when that happens; and the importer is just like the manufacturer. He gets everything he can. I am not finding fault with either one of them. I presume I would do the same thing. He gets all he can. He sells for just as high a price as he can; and it often occurs, I admit, that the importer raises his price sky high, and when we increase the tariff we enable him to raise it just a little bit higher every time.

Mr. COUZENS. That does not always follow—

Mr. NORRIS. Not always; but that is the general rule.

Mr. COUZENS. Because in many cases he absorbs the difference between the price he pays for the article and the price he sells it for.

Mr. NORRIS. Yes; that happens sometimes.

Mr. COUZENS. All I rose for was to point out that while the Senator is entirely sincere in his contention, he is wrong in his conclusions in a great many cases.

Mr. NORRIS. I am willing to concede that there are cases where the general rule does not apply, but I do contend that I have stated the general rule.

That was the object when we went out to make the tariff effective for the farmer. What was said in opposition to it? "Why, you will increase the cost to the consumer." There were people who said, "No; we will not." I was not one of

them. I always admitted that to a great extent, at least, it would increase the cost to the consumer. I could not see any escape from it, although it might not happen in every instance, and it does not always happen in a tariff case. When we put a tariff on an article, however, I do not think anyone will seriously deny that the man who buys the article, the ultimate consumer, ninety times out of one hundred pays that tariff; and that is what the farmer and everybody else is going to do with hinges if we raise this tariff.

Mr. COUZENS. The Senator from Tennessee, in a very able argument some time ago, contended that the tariff raises did not increase the cost to the consumer and proved it.

Mr. NORRIS. Well, Mr. President, let us go on that theory, then. If that theory is true, then we have been wasting our time. We have been wasting the time of this Congress. We are going now on the theory that the tariff does not increase the price that the consumer pays. Then what ought we to do? We ought to do what we often have done—invite in the manufacturers and say, "How much do you want on this, and how much do you want on that?" and write it into the law and go home. We will say, "Why, that does not increase the price the consumer pays; no! There will be no price increase. The consumer will pay just the same as he always did." We will tax everything that comes in at 10,000 per cent, make them pay it, and we will have the blessed satisfaction of knowing that they will pay billions into the Treasury of the United States and no consumer will be taxed a single penny!

That is a new discovery, Mr. President. If we will put that into force and effect, we can relieve ourselves and all our people from hard times from now on clear through eternity. We can pull ourselves over the fence by pulling on our boot straps. We can perform the impossible; let the tariff be put up to the sky, build an embargo that will let nothing come in, and the consumers in our country will not be taxed a single cent!

Mr. SMOOT. Mr. President, I ask unanimous consent that there be printed in the RECORD a list of costs and prices of the exhibits that were brought into the Chamber this morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

LIST OF ARTICLES EXHIBITED ON FLOOR OF SENATE, PURSUANT TO REQUEST OF MAJORITY MEMBERS OF THE FINANCE COMMITTEE, SHOWING FOREIGN AND LANDED VALUATION OF IMPORTED MERCHANDISE, RETAIL SELLING PRICE IN THE UNITED STATES, AND PERCENTAGE OF DIFFERENCE

TARIFF EXHIBIT—RETAIL PRICES OF IMPORTED MERCHANDISE—PREPARED BY UNITED STATES APPRAISER, PORT OF NEW YORK, OCTOBER, 1929

EXHIBIT No. 1

Bird cage

Country of origin, Germany.	
Value in country of origin	\$2.835
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.05
Landed cost in the United States	4.89
Retail price in the United States	16.50
Retail price exceeds the landed cost by 237 per cent.	

Article purchased from John Wanamaker, New York City, on October 11, 1929.

EXHIBIT No. 2

Pewter bowl

Country of origin, Denmark.	
Value in country of origin	\$5.338
Rate of duty, 40 per cent; paragraph, 339.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.669
Landed cost in the United States	8.007
Retail price in the United States	29.00
Retail price exceeds the landed cost by 262 per cent.	

Article purchased from Lord & Taylor, New York City, on October 11, 1929.

EXHIBIT No. 3

Chair nails

Country of origin, Germany.	
Value in country of origin per box of 50 nails (0.04 pound)	\$0.010125
Rate of duty, 1½ cents per pound; paragraph, 331.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0016
Landed cost in the United States	.011725
Retail price in the United States	.05
Retail price exceeds the landed cost by 326 per cent.	

Article purchased from F. W. Woolworth, 21 Maiden Lane, New York City, on October 15, 1929.

EXHIBIT No. 4

Thumb tacks rods

Country of origin, Germany.	
Value in country of origin, one-half ounce box of 36	\$0.00686
Rate of duty, six-tenths cent per pound; paragraph, 331.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.00059
Landed cost in the United States	.00745
Retail price in the United States	.05
Retail price exceeds the landed cost by 571 per cent.	

Article purchased from F. W. Woolworth, 21 Maiden Lane, New York City, on October 15, 1929.

EXHIBIT No. 5

Vacuum cleaner

Country of origin, Sweden.	
Value in country of origin	\$13.67
Rate of duty, 40 per cent; paragraph, 339.	
Expenses incident to importation (duty, transportation, insurance, etc.)	6.84
Landed cost in the United States	20.51
Retail price in the United States	77.00
Retail price exceeds the landed cost by 275 per cent.	

Article purchased from Electrolux (Inc.), 349 East One hundred and forty-ninth Street, New York City, on October 15, 1929.

EXHIBIT No. 6

Electric hair dryer

Country of origin, Germany.	
Value in country of origin	\$3.50
Rate of duty, 30 per cent; paragraph, 372.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.40
Landed cost in the United States	4.90
Retail price in the United States	13.00
Retail price exceeds the landed cost by 165 per cent.	

Article purchased from Carnahan & Dalzell (Inc.), 31 John Street, New York City, on October 15, 1929.

EXHIBIT No. 7

Gas lighter

Country of origin, Germany.	
Value in country of origin	\$0.0262
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0116
Landed cost in the United States	.0378
Retail price in the United States	.10
Retail price exceeds the landed cost by 165 per cent.	

Article purchased from F. W. Woolworth, Thirty-fifth Street and Broadway, New York City, on October 7, 1929.

EXHIBIT No. 8

Cotton tape measure

Country of origin, Switzerland.	
Value in country of origin	\$0.0105
Rate of duty, 40 per cent; paragraph, 921.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.005
Landed cost in the United States	.0155
Retail price in the United States	.05
Retail price exceeds the landed cost by 223 per cent.	

Article purchased from F. W. Woolworth, Fourteenth Street, east of Fifth Avenue, New York City, on October 8, 1929.

EXHIBIT No. 9

Glass buttons

Country of origin, Czechoslovakia.	
Value in country of origin (per card of 12 buttons)	\$0.0725
Rate of duty, 45 per cent; paragraph, 1411.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0398
Landed cost in the United States	.1123
Retail price in the United States	.70
Retail price exceeds the landed cost by 603 per cent.	

Article purchased from Gimbel Bros., New York City, on October 7, 1929.

EXHIBIT No. 10

Galith buttons

Country of origin, Czechoslovakia.	
Value in country of origin (per card of 12 buttons)	\$0.0902
Rate of duty, 45 per cent; paragraph, 1411.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0495
Landed cost in the United States	.1397
Retail price in the United States	.59
Retail price exceeds the landed cost by 322 per cent.	

Article purchased from Gimbel Bros., New York City, on October 11, 1929.

EXHIBIT No. 11

Cotton polishing cloth (glove duster)

Country of origin, Germany.	
Value in country of origin	\$0.087
Rate of duty, 25 per cent; paragraph, 912.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.031
Landed cost in the United States	.118
Retail price in the United States	.35
Retail price exceeds the landed cost by 197 per cent.	

Article purchased from John Wanamaker, New York City, on October 15, 1929.

EXHIBIT No. 12

Scrub cloth

Country of origin, Germany.	
Value in country of origin	\$0.085
Rate of duty, 25 per cent; paragraph, 912.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0297
Landed cost in the United States	.1147
Retail price in the United States	.34
Retail price exceeds the landed cost by 196 per cent.	

Article purchased from James A. Hearn, New York City, on October 15, 1929.

EXHIBIT No. 13

Alencon lace

Country of origin, France.	
Value in country of origin, per yard	\$1.25
Rate of duty, 90 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.25
Landed cost in the United States	2.50
Retail price in the United States	9.50
Retail price exceeds the landed cost by 280 per cent.	

Article purchased from James McCreery & Co., New York City, on October 14, 1929.

EXHIBIT No. 14

Alencon lace scarf

Country of origin, France.	
Value in country of origin	\$2.44
Rate of duty, 90 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.44
Landed cost in the United States	4.88
Retail price in the United States	13.50
Retail price exceeds the landed cost by 177 per cent.	

Article purchased from Stern Bros., New York City, on October 14, 1929.

EXHIBIT No. 15

Net trimmed and embroidered scarf

Country of origin, Germany.	
Value in country of origin	\$0.81
Rate of duty, 90 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.81
Landed cost in the United States	1.62
Retail price in the United States	3.98
Retail price exceeds the landed cost by 146 per cent.	

Article purchased from Gimbel Bros., New York City, on October 15, 1929.

EXHIBIT No. 16

Lace-trimmed and embroidered scarf

Country of origin, Germany.	
Value in country of origin	\$2.00
Rate of duty, 75 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.70
Landed cost in the United States	3.70
Retail price in the United States	10.50
Retail price exceeds the landed cost by 184 per cent.	

Article purchased from Gimbel Bros., New York City, on October 15, 1929.

EXHIBIT No. 17

Amminster chenille carpet

(108 inches wide)

Country of origin, Czechoslovakia.	
Value in country of origin, per yard	\$10.965
Rate of duty, 55 per cent; paragraph, 1116.	
Expenses incident to importation (duty, transportation, insurance, etc.)	7.245
Landed cost in the United States, per yard	18.21
Retail price in the United States, per yard	45.00
Retail price exceeds the landed cost by 147 per cent.	

Article purchased from John Wanamaker, New York City, on October 15, 1929.

EXHIBIT No. 18

Colored linen damask set

Country of origin, Scotland.	
Value in country of origin	\$14.00
Rate of duty, 40 per cent; paragraphs, 1013-1014.	
Expenses incident to importation (duty, transportation, insurance, etc.)	6.09
Landed cost in the United States	20.09
Retail price in the United States	59.00
Retail price exceeds the landed cost by 194 per cent.	

Article purchased from F. Loeser Co., Brooklyn, N. Y., on October 15, 1929.

EXHIBIT No. 19

Incense burner

Country of origin, France.	
Value in country of origin	\$0.192
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.096
Landed cost in the United States	.288
Retail price in the United States	1.00
Retail price exceeds the landed cost by 247 per cent.	

Article purchased from A. A. Vantine, 71 Fifth Avenue, New York City, on October 15, 1929.

EXHIBIT No. 20

Military buttons (army pattern, gold-plated front)

Country of origin, England.	
Value in country of origin (9¼ pence) per dozen	\$0.185
Rate of duty, 45 per cent; paragraph, 349.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.1018
Landed cost in the United States	.2868
Retail price in the United States, per dozen	2.50
Retail price exceeds the landed cost by 771 per cent.	

Article purchased from Ridabock & Co., 149 West Thirty-sixth Street, New York City, on October 16, 1929.

EXHIBIT No. 21

Metal vases (pair) alleged antiques

Country of origin, France.	
Value in country of origin, per pair	\$0.98
Rate of duty, 40 per cent; paragraph, 339.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.48
Landed cost in the United States	1.46
Retail price in the United States, per pair	50.00
Retail price exceeds the landed cost by 3,325 per cent.	

Article purchased from Love Jones Drake, 60 East Fifty-sixth Street, New York City, on October 11, 1929.

EXHIBIT No. 22

Briarwood pipe (steel)

Country of origin, France.	
Value in country of origin	\$0.12
Rate of duty, 60 per cent; paragraph, 1454.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.084
Landed cost in the United States	.204
Retail price in the United States	1.00
Retail price exceeds the landed cost by 390 per cent.	

Article purchased from United Cigar Stores, New York City, on October 3, 1929.

EXHIBIT No. 23

Briarwood pipe

Country of origin, France.	
Value in country of origin	\$0.075
Rate of duty, 60 per cent; paragraph, 1454.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0525
Landed cost in the United States	.1275
Retail price in the United States	.50
Retail price exceeds the landed cost by 292 per cent.	

Article purchased from United Cigar Stores Co., New York City, on October 3, 1929.

EXHIBIT No. 24

Castile soap (Yaritu)
(16 cakes)

Country of origin, Spain.	
Value in country of origin	\$0.736
Rate of duty, 15 per cent; paragraph, 82.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.186
Landed cost in the United States	.92
Retail price in the United States, including American box, value, \$0.04	2.34
Retail price exceeds the landed cost by 150 per cent.	

Article purchased from R. H. Macy Co., New York City, on October 15, 1929.

EXHIBIT No. 25

Dalmatian sour cherries (unpitted)

Country of origin, Yugoslavia.	
Value in country of origin, per pound	\$0.10
Rate of duty, 2 cents per pound; paragraph, 737.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.02
Landed cost in the United States	.12
Retail price in the United States	.35
Retail price exceeds the landed cost by 192 per cent.	

Article purchased from Italo Trading Co., 29 Carmine Street, New York City, on October 17, 1929.

EXHIBIT No. 26

Human-hair bob wig

Country of origin, France.	
Value in country of origin, each	\$5.50
Rate of duty, 35 per cent; paragraph, 1424.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.24
Landed cost in the United States	7.74
Retail price in the United States	35.00
Retail price exceeds the landed cost by 352 per cent.	

Article purchased from John Wanamaker, New York City, on October 11, 1929.

EXHIBIT No. 27

Human-hair net

Country of origin, China.	
Value in country of origin, each	\$0.00625
Rate of duty, 35 per cent; paragraph, 1424.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.00288
Landed cost in the United States	.00913
Retail price in the United States	.10
Retail price exceeds the landed cost by 995 per cent.	

Article purchased from F. W. Woolworth, New York City, on October 11, 1929.

EXHIBIT No. 28

Artificial silk sleeping cap

Country of origin, Czechoslovakia.	
Value in country of origin	\$0.0333
Rate of duty, 90 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0316
Landed cost in the United States	.0649
Retail price in the United States, each	.25
Retail price exceeds the landed cost by 285 per cent.	
Article purchased from Stern Bros., New York City, on October 11, 1929.	

EXHIBIT No. 29

Rhinestone evening bag

Country of origin, Czechoslovakia.	
Value in country of origin	\$2.19
Rate of duty, 55 per cent; paragraph, 218.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.49
Landed cost in the United States	3.68
Retail price in the United States	9.75
Retail price exceeds the landed cost by 165 per cent.	
Article purchased from Oppenheim Collins Co., New York City, on October 11, 1929.	

EXHIBIT No. 30

Artificial flower

Country of origin, France.	
Value in country of origin	\$0.105
Rate of duty, 90 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.1075
Landed cost in the United States	.2125
Retail price in the United States	.65
Retail price exceeds the landed cost by 206 per cent.	
Article purchased from McCreery Co., New York City, on October 3, 1929.	

EXHIBIT No. 31

Steamer rug (Meidrum)

(4 pounds)

Country of origin, England.	
Value in country of origin	\$3.81
Rate of duty, 27 cents per pound and 32½ per cent; paragraph, 1111.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.51
Landed cost in the United States	6.32
Retail price in the United States	14.89
Retail price exceeds the landed cost by 136 per cent.	
Article purchased from R. H. Macy Co. (Inc.), New York City, on October 1, 1929.	

EXHIBIT No. 32

Metal pot cleaner

Country of origin, Germany.	
Value in country of origin	\$0.0222
Rate of duty, 40 per cent; paragraph, 339.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.01
Landed cost in the United States	.0322
Retail price in the United States	.12
Retail price exceeds the landed cost by 273 per cent.	
Article purchased from Lewis & Conger, Forty-fourth Street and Sixth Avenue, New York City, on October 11, 1929.	

EXHIBIT No. 33

Angora rabbit hair yarn

(One-half ounce)

Country of origin, France.	
Value in country of origin	\$0.187
Rate of duty, 36 cents per pound and 40 per cent; paragraph, 1107.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.109
Landed cost in the United States	.296
Retail price in the United States	1.00
Retail price exceeds the landed cost by 238 per cent.	
Article purchased from John Wanamaker, New York City, on October 11, 1929.	

EXHIBIT No. 34

Earthenware tea set

(23 pieces)

Country of origin, Germany.	
Value in country of origin	\$1.82
Rate of duty, 50 per cent; paragraph, 211.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.44
Landed cost in the United States	3.26
Retail price in the United States	7.95
Retail price exceeds the landed cost by 144 per cent.	
Article purchased from Bloomingdale Bros., New York City, on October 15, 1929.	

EXHIBIT No. 35

Earthenware salad bowls

(6-piece set)

Country of origin, Germany.	
Value in country of origin	\$0.43
Rate of duty, 50 per cent; paragraph, 211.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.32
Landed cost in the United States	.75
Retail price in the United States	2.50
Retail price exceeds the landed cost by 233 per cent.	
Article purchased from Bloomingdale Bros., New York City, on October 15, 1929.	

EXHIBIT No. 36

Cut-glass goblet

Country of origin, France.	
Value in country of origin	\$0.41
Rate of duty, 55 per cent; paragraph, 218.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.275
Landed cost in the United States	.69
Retail price in the United States	2.30
Retail price exceeds the landed cost by 233 per cent.	
Article purchased from John Wannamaker, New York City, on October 11, 1929.	

EXHIBIT No. 37

Cut-glass bottle

Country of origin, Belgium.	
Value in country of origin	\$2.60
Rate of duty, 60 per cent; paragraph, 218.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.69
Landed cost in the United States	4.29
Retail price in the United States	15.00
Retail price exceeds the landed cost by 250 per cent.	
Article purchased from Ovington Bros., 436 Fifth Avenue, New York City, on October 1, 1929.	

EXHIBIT No. 38

Metal statue

(Ten inches high)

Country of origin, Austria.	
Value in country of origin	\$3.57
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.53
Landed cost in the United States	5.10
Retail price in the United States	18.00
Retail price exceeds the landed cost by 253 per cent.	
Article purchased from Charles Gutrad, 120 Allen Street, New York City, on October 15, 1929.	

EXHIBIT No. 39

Book, Everymans Library, cloth

Country of origin, England.	
Value in country of origin	\$0.23
Rate of duty, 15 per cent; paragraph, 1310.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.068
Landed cost in the United States	.298
Retail price in the United States	.80
Retail price exceeds the landed cost by 168 per cent.	
Article purchased from Dutton's (Inc.), 681 Fifth Avenue, New York City, on October 14, 1929.	

EXHIBIT No. 40

Painting

(Copy)

Country of origin, Austria.	
Value in country of origin	\$7.14
Rate of duty, 20 per cent; paragraph, 1449.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.85
Landed cost in the United States	8.99
Retail price in the United States	70.00
Retail price exceeds the landed cost by 679 per cent.	
Article purchased from Henry Schultheis & Co., 142 Fulton Street, New York City, on October 15, 1929.	

EXHIBIT No. 41

Painted miniature in ivory frame

Country of origin, Germany.	
Value in country of origin	\$1.69
Rate of duty, 35 per cent; paragraph, 1440.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.59
Landed cost in the United States	2.28
Retail price in the United States	6.95
Retail price exceeds the landed cost by 205 per cent.	
Article purchased from Gimbel Bros., New York City, on October 15, 1929.	

EXHIBIT No. 42

Windmill clock

Country of origin, Germany.	
Value in country of origin	\$1.05
Rate of duty, 35 cents each and 45 per cent; paragraph, 368.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.84
Landed cost in the United States	1.89
Retail price in the United States	5.00
Retail price exceeds the landed cost by 165 per cent.	
Article purchased from B. Altman & Co., New York City, on October 3, 1929.	

EXHIBIT No. 43

Paper hat

Country of origin, Germany.	
Value in country of origin	\$0.0263
Rate of duty, 35 per cent; paragraph, 1313.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0143
Landed cost in the United States	.0406
Retail price in the United States	.15
Retail price exceeds the landed cost by 269 per cent.	
Article purchased from E. L. Sommers Co. (Inc.), 915 Broadway, New York City, on October 4, 1929.	

EXHIBIT No. 44
Box of stationery

Country of origin, Germany.	
Value in country of origin, per box.....	\$0.4275
Rate of duty, 32 per cent; paragraphs, 1307, 1308.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.22
Landed cost in the United States.....	.65
Retail price in the United States.....	2.00
Retail price exceeds the landed cost by 208 per cent.	
Article purchased from Gimbel Bros., New York City, on October 11, 1929.	

EXHIBIT No. 45
Reynolds bristol board
(Drawing paper, 12 sheets)

Country of origin, England.	
Value in country of origin.....	\$0.6325
Rate of duty, 3 cents per pound and 15 per cent; paragraph, 1307.	
Expenses incident to importation (duties, transportation, insurance, etc.).....	.155
Landed cost in the United States.....	.7875
Retail price in the United States.....	2.00
Retail price exceeds the landed cost by 154 per cent.	
Article purchased from Keuffel & Esser Co., 127 Fulton Street, New York City, on October 15, 1929.	

EXHIBIT No. 46
Insulated pliers

Country of origin, Germany.	
Value in country of origin.....	\$0.13
Rate of duty, 60 per cent; paragraph, 361.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.088
Landed cost in the United States.....	.218
Retail price in the United States.....	.59
Retail price exceeds the landed cost by 171 per cent.	
Article purchased from F. W. Grand Stores, New York City, on October 15, 1929.	

EXHIBIT No. 47
Fountain pen

Country of origin, Germany.	
Value in country of origin.....	\$0.0486
Rate of duty, 60 per cent; paragraph, 31.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0317
Landed cost in the United States.....	.08
Retail price in the United States.....	.25
Retail price exceeds the landed cost by 213 per cent.	
Article purchased from F. & W. Grand Stores, New York City, on October 4, 1929.	

EXHIBIT No. 48
Mechanical pencil

Country of origin, Germany.	
Value in country of origin.....	\$0.132
Rate of duty, 45 cents per gross and 20 per cent plus 25 cents per gross for clips; paragraph, 352.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0366
Landed cost in the United States.....	.1686
Retail price in the United States.....	.50
Retail price exceeds the landed cost by 197 per cent.	
Article purchased from United Cigar Stores, New York City, on October 4, 1929.	

EXHIBIT No. 49
Safety pins
(Bunch of 50)

Country of origin, Czechoslovakia.	
Value in country of origin.....	\$0.01458
Rate of duty, 35 per cent; paragraph, 350.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0059
Landed cost in the United States.....	.02048
Retail price in the United States.....	.05
Retail price exceeds the landed cost by 144 per cent.	
Article purchased from F. & W. Grand Stores, Fourteenth Street and Sixth Avenue, New York City, on October 4, 1929.	

EXHIBIT No. 50
Clarinet reed

Country of origin, France.	
Value in country of origin.....	\$0.0196
Rate of duty, 40 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0084
Landed cost in the United States.....	.028
Retail price in the United States.....	.10
Retail price exceeds the landed cost by 257 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 51
Violin tailpiece (ebony)

Country of origin, Germany.	
Value in country of origin.....	\$0.0641
Rate of duty, 40 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0326
Landed cost in the United States.....	.0967
Retail price in the United States.....	.30
Retail price exceeds the landed cost by 210 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 52
Violin rosin

Country of origin, Germany.	
Value in country of origin.....	\$0.0416
Rate of duty, 15 per cent; paragraph, 1448.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0151
Landed cost in the United States.....	.057
Retail price in the United States.....	.25
Retail price exceeds the landed cost by 339 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 53
Violin bow (Dodd model)

Country of origin, Germany.	
Value in country of origin.....	\$4.50
Rate of duty, 40 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	2.25
Landed cost in the United States.....	6.75
Retail price in the United States.....	20.00
Retail price exceeds the landed cost by 196 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 54
Violin (Heberlein)

Country of origin, Germany.	
Value in country of origin.....	\$7.50
Rate of duty, \$1 each and 35 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	4.40
Landed cost in the United States.....	11.90
Retail price in the United States.....	50.00
Retail price exceeds the landed cost by 320 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 55
Violin fingerboard

Country of origin, Germany.	
Value in country of origin.....	\$0.229
Rate of duty, 40 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.115
Landed cost in the United States.....	.344
Retail price in the United States.....	1.00
Retail price exceeds the landed cost by 191 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 56
Cello mute, ebony

Country of origin, Germany.	
Value in country of origin.....	\$0.0347
Rate of duty, 33 1/2 per cent; paragraph, 410.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0174
Landed cost in the United States.....	.0521
Retail price in the United States.....	.25
Retail price exceeds the landed cost by 380 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 57
Clarinet

Country of origin, France.	
Value in country of origin.....	\$11.70
Rate of duty, 40 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	5.20
Landed cost in the United States.....	16.90
Retail price in the United States.....	55.00
Retail price exceeds the landed cost by 225 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 58
Colored fute fabric
(50 inches, 1 1/4 pounds)

Country of origin, Czechoslovakia.	
Value in country of origin, per yard.....	\$0.545
Rate of duty, 1 cent per pound and 10 per cent; paragraph, 1008.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.1106
Landed cost in the United States.....	.6556
Retail price in the United States.....	2.50
Retail price exceeds the landed cost by 281 per cent.	
Article purchased from H. B. Lehman-Connor Co. (Inc.), 58 West Fortieth Street, New York City, on October 15, 1929.	

EXHIBIT No. 59
Appliquéd bridge set (linen)

Country of origin, Madeira.	
Value in country of origin.....	\$1.62
Rate of duty, 75 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	1.30
Landed cost in the United States.....	2.92
Retail price in the United States.....	6.94
Retail price exceeds the landed cost by 138 per cent.	
Article purchased from R. H. Macy & Co., New York City, on October 15, 1929.	

EXHIBIT No. 60

Papier-mâché soldier set

Country of origin, Germany.	
Value in country of origin	\$2.08
Rate of duty, 70 per cent; paragraph, 1414.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.88
Landed cost in the United States	3.96
Retail price in the United States	13.50
Retail price exceeds the landed cost by 241 per cent.	
Article purchased from F. A. O. Schwarz, 303 Fifth Avenue, New York City, on October 11, 1929.	

EXHIBIT No. 61

Dress clasp

Country of origin, Czechoslovakia.	
Value in country of origin	\$0.64
Rate of duty, 55 per cent; paragraph, 348.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.384
Landed cost in the United States	1.024
Retail price in the United States	5.00
Retail price exceeds the landed cost by 388 per cent.	
Article purchased from the Bohemian Novelty Co., 71 West Thirty-eighth Street, New York City, on October 15, 1929.	

EXHIBIT No. 62

Toy ferryboat (mechanical)

Country of origin, Germany.	
Value in country of origin	\$1.85
Rate of duty, 70 per cent; paragraph, 1414.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.85
Landed cost in the United States	3.70
Retail price in the United States	10.00
Retail price exceeds the landed cost by 170 per cent.	
Article purchased from F. A. O. Schwarz, 303 Fifth Avenue, New York City, on October 11, 1929.	

EXHIBIT No. 63

Toy steamboat

Country of origin, Germany.	
Value in country of origin	\$0.03
Rate of duty, 70 per cent; paragraph, 1414.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0255
Landed cost in the United States	.0555
Retail price in the United States	.15
Retail price exceeds the landed cost by 170 per cent.	
Article purchased from B. Shackman & Co., 906 Broadway, New York City, on October 16, 1929.	

EXHIBIT No. 64

Mosaic toy

Country of origin, Germany.	
Value in country of origin	\$0.20
Rate of duty, 70 per cent; paragraph, 1414.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.18
Landed cost in the United States	.38
Retail price in the United States	1.00
Retail price exceeds the landed cost by 163 per cent.	
Article purchased from F. A. O. Schwarz, 303 Fifth Avenue, New York City, on October 11, 1929.	

EXHIBIT No. 65

Jointed doll

Country of origin, Germany.	
Value in country of origin	\$1.20
Rate of duty, 70 per cent; paragraph, 1414.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.08
Landed cost in the United States	2.28
Retail price in the United States	6.50
Retail price exceeds the landed cost by 185 per cent.	
Article purchased from F. A. O. Schwartz, 303 Fifth Avenue, New York City, on October 11, 1929.	

EXHIBIT No. 66

Men's pigskin expanding spring belt

Country of origin, England.	
Value in country of origin	\$0.69
Rate of duty, 30 per cent; paragraph, 1432.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.31
Landed cost in the United States	1.00
Retail price in the United States	3.50
Retail price exceeds the landed cost by 250 per cent.	
Article purchased from John W. Ryan, Thirty-second Street and Seventh Avenue, New York City, on September 18, 1929.	

EXHIBIT No. 67

Ladies' calfskin handbag

Country of origin, France.	
Value in country of origin	\$2.26
Rate of duty, 30 per cent; paragraph, 1432.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.33
Landed cost in the United States	3.59
Retail price in the United States	12.50
Retail price exceeds the landed cost by 248 per cent.	
Article purchased from Lord & Taylor, New York City, on September 18, 1929.	

EXHIBIT No. 68

Toothbrush

Country of origin, Japan.	
Value in country of origin	\$0.0577
Rate of duty, 45 per cent; paragraph, 1407.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0298
Landed cost in the United States	.0875
Retail price in the United States	.35
Retail price exceeds the landed cost by 300 per cent.	
Article purchased from Louis K. Liggett Co. store, Grand Central Terminal, New York City, on October 16, 1929.	

EXHIBIT No. 69

Pastel colors
(Thirty assorted pieces in box)

Country of origin, France.	
Value in country of origin	\$0.32
Rate of duty, 25 per cent and 45 cents per gross; paragraph, 1451.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.18
Landed cost in the United States	.50
Retail price in the United States	1.60
Retail price exceeds the landed cost by 220 per cent.	
Article purchased from Devos & Reynolds, 103 Fulton Street, New York City, on October 18, 1929.	

EXHIBIT No. 70

Haarlem oil—Klass Tilly

Country of origin, Holland.	
Value in country of origin	\$0.017
Rate of duty, 25 per cent; paragraph, 5.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.005
Landed cost in the United States	.022
Retail price in the United States	.20
Retail price exceeds the landed cost by 809 per cent.	
Article purchased from Robert J. Pallehner, 1300 Washington Street, Hoboken, N. J., on October 15, 1929.	

EXHIBIT No. 71

Vienna caramels
(1-pound box)

Country of origin, Austria.	
Value in country of origin	\$0.155
Rate of duty, 40 per cent; paragraph, 505.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0765
Landed cost in the United States	.2315
Retail price in the United States	.70
Retail price exceeds the landed cost by 202 per cent.	
Article purchased from Williams Nut Co., 9 Clark Street, Paterson, N. J., on October 11, 1929.	

EXHIBIT No. 72

Embroidered screen

Country of origin, Japan.	
Value in country of origin	\$7.03
Rate of duty, 75 per cent; paragraph, 1430.	
Expenses incident to importation (duty, transportation, insurance, etc.)	6.89
Landed cost in the United States	13.92
Retail price in the United States	45.00
Retail price exceeds the landed cost by 223 per cent.	
Article purchased from Vantine's Retail Stores, 664 Fifth Avenue, New York City, on October 16, 1929.	

EXHIBIT No. 73

Prayer rug

Country of origin, France.	
Value in country of origin	\$0.97
Rate of duty, 45 per cent; paragraph, 909.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.49
Landed cost in the United States	1.46
Retail price in the United States	4.95
Retail price exceeds the landed cost by 239 per cent.	
Article purchased from the Namm Store, Fulton Street, Brooklyn, N. Y., on October 18, 1929.	

EXHIBIT No. 74

Hopjes (Rademaker) candy

Country of origin, Holland.	
Value in country of origin, per pound	\$0.30
Rate of duty, 40 per cent; paragraph, 505.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.145
Landed cost in the United States	.445
Retail price in the United States	1.40
Retail price exceeds the landed cost by 215 per cent.	
Article purchased from Williams Nut Co., 9 Clark Street, Paterson, N. J., on October 11, 1929.	

EXHIBIT No. 75

Pastilles belloco

Country of origin, France.	
Value in country of origin	\$0.166
Rate of duty, 25 per cent; paragraph, 23.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.043
Landed cost in the United States	.209
Retail price in the United States	1.00
Retail price exceeds the landed cost by 378 per cent.	
Article purchased from Central Drug Co., 51 Spring Street, New York City, on October 16, 1929.	

EXHIBIT No. 76
Effervescent magnesia

Country of origin, Italy.	
Value in country of origin	\$0.172
Rate of duty, 25 per cent; paragraph, 5.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.044
Landed cost in the United States	.216
Retail price in the United States	.60
Retail price exceeds the landed cost by 178 per cent.	
Article purchased from Central Drug Co., 51 Spring Stret, New York City, on October 16, 1929.	

EXHIBIT No. 77
Violin string, gut, florentina, A

Country of origin, Germany.	
Value in country of origin	\$0.0613
Rate of duty, 40 per cent; paragraph, 1434.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0316
Landed cost in the United States	.093
Retail price in the United States	.40
Retail price exceeds the landed cost by 330 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 78
Knitted cashmere cardigan jacket
(Eight ounces)

Country of origin, Scotland.	
Value in country of origin	\$7.58
Rate of duty, 45 cents and 50 per cent; paragraph, 1114.	
Expenses incident to importation (duty, transportation, insurance, etc.)	4.39
Landed cost in the United States	11.97
Retail price in the United States	30.00
Retail price exceeds the landed cost by 151 per cent.	
Article purchased from Peck & Peck, New York City, on October 15, 1929.	

EXHIBIT No. 79
Brass horn (alto)

Country of origin, Graslitz, Bohemia.	
Value in country of origin	\$5.878
Rate of duty, 40 per cent; paragraph, 1443.	
Expenses incident to importation (duty, transportation, insurance, etc.)	3.253
Landed cost in the United States	9.13
Retail price in the United States	25.00
Retail price exceeds the landed cost by 174 per cent.	
Article purchased from Carl Fischer, 56 Cooper Square, New York City, on October 14, 1929.	

EXHIBIT No. 80
Self-winding watch

Country of origin, Switzerland.	
Value in country of origin: Works, \$5; case, \$1; total	\$6.00
Rate of duty, \$2 on works and 45 per cent on case; paragraph, 367.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.75
Landed cost in the United States	8.75
Retail price in the United States	55.00
Retail price exceeds the landed cost by 529 per cent.	
Article purchased from William Barthman, 174 Broadway, New York City, on October 11, 1929.	

EXHIBIT No. 81
Spark plug

Country of origin, Germany.	
Value in country of origin	\$0.11
Rate of duty, 50 per cent; paragraph, 369.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.07
Landed cost in the United States	.18
Retail price in the United States	1.00
Retail price exceeds the landed cost by 455 per cent.	
Article purchased from Rosy's Accessories, 46 Charles Street, New York City, on October 11, 1929.	

EXHIBIT No. 82
Tamar Indian grillon

Country of origin, France.	
Value in country of origin	\$0.366
Rate of duty, 25 per cent; paragraph, 23.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0947
Landed cost in the United States	.46
Retail price in the United States	1.35
Retail price exceeds the landed cost by 193 per cent.	
Article purchased from Central Drug Co., 51 Spring Street, New York City, on October 16, 1929.	

EXHIBIT No. 83

36-inch linen theatrical gauze

Country of origin, Ireland.	
Value in country of origin, per yard	\$0.0989
Rate of duty, 35 per cent; paragraph, 1011.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0381
Landed cost in the United States	.1370
Retail price in the United States, per yard	.35
Retail price exceeds the landed cost by 155 per cent.	
Article purchased from James McCreery Co., New York City, on October 15, 1929.	

EXHIBIT No. 84
Metal book ends
(Pair)

Country of origin, Austria.	
Value in country of origin	\$4.20
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.)	2.05
Landed cost in the United States	6.25
Retail price in the United States	17.50
Retail price exceeds the landed cost by 180 per cent.	
Article purchased from Charles Gytradt & Son, 120 Allen Street, New York City, on October 15, 1929.	

EXHIBIT No. 85
Floating bubble soap

Country of origin, Italy.	
Value in country of origin, per cake	\$0.0425
Rate of duty, 30 per cent; paragraph, 82.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0142
Landed cost in the United States	.0567
Retail price in the United States	.25
Retail price exceeds the landed cost by 341 per cent.	
Article purchased from Whalen Drug Co. (Inc.), 2 Vanderbilt Avenue, New York City, on October 16, 1929.	

EXHIBIT No. 86
Toy paint set

Country of origin, Germany.	
Value in country of origin	\$0.052
Rate of duty, 70 per cent; paragraph, 67.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0421
Landed cost in the United States	.0941
Retail price in the United States	.45
Retail price exceeds the landed cost by 378 per cent.	
Article purchased from Levy Bros., 2305 Broadway, New York City, on October 21, 1929.	

EXHIBIT No. 87
Wooden weather sets

Country of origin, Germany.	
Value in country of origin	\$0.90
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.50
Landed cost in the United States	1.40
Retail price in the United States	7.94
Retail price exceeds the landed cost by 467 per cent.	
Article purchased from R. H. Macy & Co., New York City, on October 16, 1929.	

EXHIBIT No. 88
Wax plaque ("A Friendly Call")

Country of origin, England.	
Value in country of origin	\$0.73
Rate of duty, 20 per cent; paragraph, 1438.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.19
Landed cost in the United States	.92
Retail price in the United States	3.75
Retail price exceeds the landed cost by 308 per cent.	
Article purchased from Levy's Art Shop, 241 Fifth Avenue, New York City, on October 21, 1929.	

EXHIBIT No. 89
Fruit knives and forks
(Set of six each)

Country of origin, France.	
Value in country of origin	\$1.18
Rate of duty, 8 cents each and 45 per cent; paragraph, 355.	
Expenses incident to importation (duty, transportation, insurance, etc.)	1.55
Landed cost in the United States	2.73
Retail price in the United States	9.00
Retail price exceeds the landed cost by 230 per cent.	
Article purchased from John Wanamaker, New York City, on October 18, 1929.	

EXHIBIT No. 90
Dental mouth mirror

Country of origin, Germany.	
Value in country of origin	\$0.0625
Rate of duty, 50 per cent; paragraph, 230.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.0375
Landed cost in the United States	.10
Retail price in the United States	.35
Retail price exceeds the landed cost by 250 per cent.	
Article purchased from S. Reigler, 210 East Twenty-third Street, New York City, on October 17, 1929.	

EXHIBIT No. 91
Razor

Country of origin, Germany.	
Value in country of origin	\$0.567
Rate of duty, 45 cents each and 45 per cent; paragraph, 358.	
Expenses incident to importation (duty, transportation, insurance, etc.)	.733
Landed cost in the United States	1.30
Retail price in the United States	5.00
Retail price exceeds the landed cost by 285 per cent.	
Article purchased from Parker & Battersby, 146 West Forty-second Street, New York City, on October 15, 1929.	

EXHIBIT No. 92
Gong

Country of origin, Germany.	
Value in country of origin.....	\$1.50
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.75
Landed cost in the United States.....	2.25
Retail price in the United States.....	8.50
Retail price exceeds the landed cost by 278 per cent.	
Article purchased from Art Colony Industries, 34 Union Square, New York City, on October 17, 1929.	

EXHIBIT No. 93
Urodonal
(85 gross)

Country of origin, France.	
Value in country of origin.....	\$0.36
Rate of duty, 25 per cent; paragraph, 5.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.108
Landed cost in the United States.....	.468
Retail price in the United States.....	2.25
Retail price exceeds the landed cost by 381 per cent.	
Article purchased from Neve Drug Stores, New York City, on October 17, 1929.	

EXHIBIT No. 94
Hairbrush

Country of origin, England.	
Value in country of origin.....	\$1.94
Rate of duty, 45 per cent; paragraph, 1407.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.91
Landed cost in the United States.....	2.85
Retail price in the United States.....	7.50
Retail price exceeds the landed cost by 163 per cent.	
Article purchased from L. K. Liggett & Co., Grand Central Terminal, New York City, on October 22, 1929.	

EXHIBIT No. 95
Clock oil
(Per bottle)

Country of origin, Germany.	
Value in country of origin.....	\$0.0544
Rate of duty, 25 per cent; paragraph, 58.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0146
Landed cost in the United States.....	.069
Retail price in the United States.....	.30
Retail price exceeds the landed cost by 335 per cent.	
Article purchased from Cross & Begulin, 15 Maiden Lane, New York City, on October 18, 1929.	

EXHIBIT No. 96
Cloissone tray

Country of origin, China.	
Value in country of origin.....	\$0.15617
Rate of duty, 60 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.15617
Landed cost in the United States.....	.31234
Retail price in the United States.....	1.00
Retail price exceeds the landed cost by 220 per cent.	
Article purchased from James McCutcheon & Co., New York City, on October 21, 1929.	

EXHIBIT No. 97
Nippes
(Molded deer)

Country of origin, Germany.	
Value in country of origin.....	\$0.0833
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0683
Landed cost in the United States.....	.152
Retail price in the United States.....	.50
Retail price exceeds the landed cost by 229 per cent.	
Article purchased from E. L. Sommers Co., 915 Broadway, New York City, on October 18, 1929.	

EXHIBIT No. 98
Spinach seed

Country of origin, Holland.	
Value in country of origin.....	\$0.10
Rate of duty, 1 cent per pound; paragraph, 762.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0167
Landed cost in the United States.....	.1167
Retail price in the United States.....	.75
Retail price exceeds the landed cost by 543 per cent.	
Article purchased from Vaughn's Seed Store, 49 Barclay Street, New York City, on October 22, 1929.	

EXHIBIT No. 99
Artists' oil color
(Tube)

Country of origin, Holland.	
Value in country of origin.....	\$0.0639
Rate of duty, 40 per cent; paragraph, 67.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0493
Landed cost in the United States.....	.1132
Retail price in the United States.....	.35
Retail price exceeds the landed cost by 209 per cent.	
Article purchased from P. H. Rosenthal, 47 East Ninth Street, New York City, on October 22, 1929.	

EXHIBIT No. 100
Apollinaris mineral water
(24-ounce bottle)

Country of origin, Germany.	
Value in country of origin.....	\$0.087
Rate of duty, 10 cents per gallon and one-third cent per pound on bottle; paragraph, 808.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0324
Landed cost in the United States.....	.1194
Retail price in the United States.....	.39
Retail price exceeds the landed cost by 227 per cent.	
Article purchased from R. H. Macy & Co., New York City, on October 22, 1929.	

EXHIBIT No. 101
Curling iron

Country of origin, France.	
Value in country of origin.....	\$0.223
Rate of duty, 40 per cent; paragraph, 399.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.1114
Landed cost in the United States.....	.3344
Retail price in the United States.....	1.75
Retail price exceeds the landed cost by 423 per cent.	
Article purchased from Kraut & Dohnal, 325 South Clark Street, Chicago, Ill., on October 22, 1929.	

EXHIBIT No. 102
Magnifying glass

Country of origin, France.	
Value in country of origin.....	\$0.144
Rate of duty, 45 per cent; paragraph, 228.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.0788
Landed cost in the United States.....	.223
Retail price in the United States.....	.90
Retail price exceeds the landed cost by 304 per cent.	
Article purchased from the Gloeckner & Newby Co., 9 Church Street, New York City, on October 24, 1929.	

EXHIBIT No. 103
Dog muzzle

Country of origin, Germany.	
Value in country of origin.....	\$0.16
Rate of duty, 30 per cent; paragraph, 1432.	
Expenses incident to importation (duty, transportation, insurance, etc.).....	.068
Landed cost in the United States.....	.228
Retail price in the United States.....	1.25
Retail price exceeds the landed cost by 448 per cent.	
Article purchased from London Bird & Dog Shop, Broadway and Thirty-first Street, New York City, on October 23, 1929.	

Mr. WAGNER submitted an amendment intended to be proposed by him to House bill 2667, the tariff revision bill, which was ordered to lie on the table and to be printed.

ADDRESS BY DR. NICHOLAS MURRAY BUTLER AT DINNER OF CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an abstract of an able address by Dr. Nicholas Murray Butler as presiding officer at the public dinner tendered by the trustees of the Carnegie Endowment for International Peace to the visiting members of the Institut de Droit International at the Ritz Carlton Hotel, New York, October 18.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEW OUTLOOK

By Dr. Nicholas Murray Butler

(Abstract of remarks as presiding officer at the public dinner tendered by the trustees of the Carnegie Endowment for International Peace to the visiting members of the Institut de Droit International at the Ritz Carlton Hotel, New York, October 18, 1929.)

To-night the whole world is thinking what the prophet Jeremiah so long ago denominated thoughts of peace. The heavy and suffocating atmosphere of war has been cleared by the swiftly moving and health-giving breezes of peace. The mind of the world has been turned from a backward-looking and a forward-fearing mind to a forward-looking and a backward-fearing mind. War has lost its glamor, and now stands stripped and naked in all its horrid ugliness and barbarity. Let the carper and the cavalier spend an evening with Journey's End, or a few fascinated hours with the gripping pages of Im Westen nichts Neues, which has absorbed the attention of millions of readers in 20 lands, and learn something of the reality of war as it is seen at close quarters by those unfortunates who are called upon to do the fighting.

A world that turns from war to peace turns of necessity from brute force to good manners, to high morals, and to law. The future, therefore, belongs to you and to those likeminded with yourselves who work to frame law and to establish it on the firm foundations of public conviction and public confidence.

This revolutionary psychological change began preparing while the great war was still in progress. It was halted for a time by afterwar unhappiness, afterwar problems, and afterwar perplexities; but when M. Briand, Doctor Stresemann, and Sir Austen Chamberlain had their momentous meeting at Locarno four years ago, the beginning of the end

of the old order was not only indicated but clearly in sight. There remained the carefully stimulated naval rivalry between the two great branches of the English-speaking family. Trouble makers, hired, we hear, and playing upon the credulous ignorance of public men and public opinion, did what they could to make the era of international war and its dark and costly shadows last a little longer; but that particular method of annoying and damaging the public and of striking at the interests of both Great Britain and America has now been laughed off the stage—and off the front page as well.

Following Locarno comes Washington. The Prime Minister and the President, face to face and in kindly confidence, have crowded into 4 days of personal conversation and understanding 40 ordinary years of formal diplomatic procedure, of official correspondence and of technical bargaining. Briand and Stresemann and Chamberlain, together with their associates at Locarno, and Ramsay MacDonald and Hoover at Washington, have done the business for which the world was waiting with bated breath. Public opinion will do the rest. That government or that governmental agency which attempts to stand in the way of those official acts that are needed to transform these new convictions and these new understandings into law will be broken on the wheel. Let there be no doubt of that. These are not arrangements which affect alone two nations or any small group of nations. They are arrangements which strike the note of leadership throughout the world and which invite, and indeed compel, universal assent and cooperation.

A daily newspaper of consequence and of large circulation, the Chicago Daily Tribune, has with thoughtful kindness seized this occasion to point its many readers to a map showing how completely the Atlantic and the Gulf coasts of the United States are encircled by a series of fortified naval bases under the control of the British Navy. Under so stupendous and so imminent a threat, distant Chicago may perhaps enjoy unbroken sleep, but surely only for such time as it may take the invading forces to traverse the unfortified Hudson, the unprotected Erie Canal, and the undefended Lakes. But must not the people of Portland and Boston, of Providence and New Haven, of New York and Philadelphia, of Norfolk and Charleston, of Savannah and Jacksonville, of Miami and Key West, of Pensacola and Mobile, of New Orleans and Galveston toss fearfully in their beds and shake in their boots? How terrible a picture is this: The only American who would appear to be reasonably safe is the senior Senator from Alabama; for not even a papal bull could overleap so stout and so menacing an encirclement! What a pity that a journal so minded could not turn our attention to a real danger! Why not be practical in these serious matters?

Tell it not in Gath, publish it not in the streets of Askelon, lest the daughters of the Philistines rejoice, but mother earth is at this moment in a grievous danger against which, I fear, that not even the gospel of preparedness can surely defend us. Her pathway in life is wholly surrounded by that of Mars carrying every weapon of destructive war and ready for battle to the death should their two paths ever meet. Beyond sits Jupiter, sardonically looking down upon mother earth and carrying some useful moons to hurl upon her when the moment comes. The one safe neighbor is Neptune, for whom distance lends enchantment to the view. He waves his trident and laughs at mother earth's predicament. Here, then, is surely something real to fear. In its presence why conjure up imaginary and ridiculous difficulty? No, gentlemen, a sense of humor and common sense have not taken possession of all our fellow Americans.

But, says the cynic, human nature does not change. To him I answer that human nature does change, has always changed, is changing now, and that its changes are recorded and manifested in what we call the advance of civilization.

Let me point you to an amazing contrast in the recent history of international business. Just a little more than 70 years ago, on a bright summer's day, there went out from Geneva one of the chief personalities of Europe, bearing a false name, armed with a false passport, and in disguise. He was no less a person than Count Cavour, Prime Minister of the Government of the Kingdom of Piedmont. He made his way secretly, on tiptoe as it were, to the village of Plombières in the Vosges. Arriving there at the height of the gay season, he took no lodgings in a fashionable and frequented hotel but sought rooms in a small chemist's shop. There and then he waited amid the paraphernalia of blue and red and green bottles until a summons came. By dark and without observation he was escorted into the presence of a powerful reigning monarch, Napoleon III, Emperor of France. They did not confer together, these two men of high place and vast responsibility; they conspired as to how they might bring about a great war. The Emperor told the Prime Minister that France would whole-heartedly support Piedmont in a war with Austria provided a reasonable *casus belli* could be found which would attract to France the sympathy of all Europe in such a struggle. Truly it would require the pen of a Machiavelli or a St. Simon to do justice to this scene. Here was no legislative debate. Here was no popular appeal and no popular mandate, merely two high-placed and powerful dictators, with all the arms and apparatus of two governments, together with the peace of Europe, in their four hands. And this was only 71 years ago!

Two generations later, a short time as human history goes, a Prime Minister of State, who wields the vast and responsible authority accorded to him by a great people living under free and democratic govern-

ment, starts across the sea. He wears no disguise, he bears no false name, he carries no false passport. His own countrymen acclaim his going. The daily press of the world records his every act and word. In six days' time he comes to the hospitable and welcoming shores of another land. The enthusiasm of genuine affection and confidence is showered upon him both for himself and on behalf of the great people for whom he has come to speak. Public officials salute him, public courtesy surrounds him, and public respect both greets and follows him. He goes to no upper story of a chemist's shop, but to the White House, and then as a personal guest of the President of the United States to a simple cabin in the foothills of the Blue Ridge, that there quiet and undisturbed they may speak together of the great issues and the little ones which divide peoples and which bind peoples together. This, gentlemen, is no conspiracy to organize war. It is a conference to organize peace. Public confidence has succeeded in displacing secrecy, conference has routed conspiracy, and the authority of free peoples and their public opinion is underneath, behind, and all about what the Prime Minister and the President have said and done. Their conference ended, they unite in a frank, full, and dignified statement to the public, and the public applauds from the Atlantic to the Pacific, from Canada to the Gulf, and from one end of the vast British Commonwealth of Nations to the other the whole world round.

Look, gentlemen, on that picture of 1858 and then on this of 1929. From Plombières to Washington and the Blue Ridge, from conspiracy to conference, from personal despotism to free democracy, and dare to tell us that human nature does not change!

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate sundry messages from the President of the United States, which were referred to the appropriate committees.

REPORT OF POSTAL NOMINATIONS

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported sundry post-office nominations, which were ordered to be placed on the Executive Calendar.

RECESS

Mr. SMOOT. Mr. President, as in legislative session, on account of a special meeting which some Senators desire to hold this evening before 6 o'clock, I move that the Senate take a recess until to-morrow morning at 10 o'clock.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate took a recess until to-morrow, Friday, November 8, 1929, at 10 o'clock a. m.).

NOMINATIONS

Executive nominations received by the Senate November 7 (legislative day of October 30), 1929

MEMBER OF THE UNITED STATES BOARD OF TAX APPEALS

Herbert F. Seawell, of Carthage, N. C., to be a member of the United States Board of Tax Appeals for the unexpired term of 10 years from June 2, 1926, in place of Benjamin H. Littleton.

COAST GUARD

The following-named officers in the Coast Guard of the United States:

To be commanders to rank as such from July 1, 1929

Lieut. Commander Warner K. Thompson.
Lieut. Commander John H. Cornell.
Lieut. Commander Gordon T. Finlay.
Lieut. Commander Louis L. Bennett.
Lieut. Commander William J. Keester.
Lieut. Commander Eugene A. Coffin.
Lieut. Commander John S. Baylis.
Lieut. Commander Charles G. Roemer.
Lieut. Commander Wilfrid N. Derby.
Lieut. Commander Leo C. Mueller.
Lieut. Commander Clarence H. Dench.
Lieut. Commander William K. Scammell.
Lieut. Commander Russell L. Lucas.

Commander William H. Shea to be a captain, to rank as such from October 8, 1929, in place of Capt. George C. Carmine, retired.

Commander Cecil M. Gabbett to be a captain, to rank as such from October 28, 1929, in place of Capt. Claude S. Cochran, retired.

Lieut. Commander Stephen S. Yeandle to be a commander, to rank as such from July 13, 1929, in place of Capt. Edward S. Addison, promoted.

Lieut. Commander Frederick A. Zeusler to be a commander, to rank as such from October 8, 1929, in place of Capt. William H. Shea, promoted.

Ensign George M. Phannemiller to be a lieutenant (junior grade), to rank as such from March 8, 1929.